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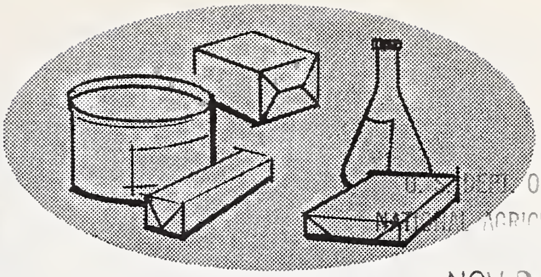
1965 OUTLOOK ISSUE



FATS and OILS SITUATION

U.S. DEPT. OF AGRICULTURE
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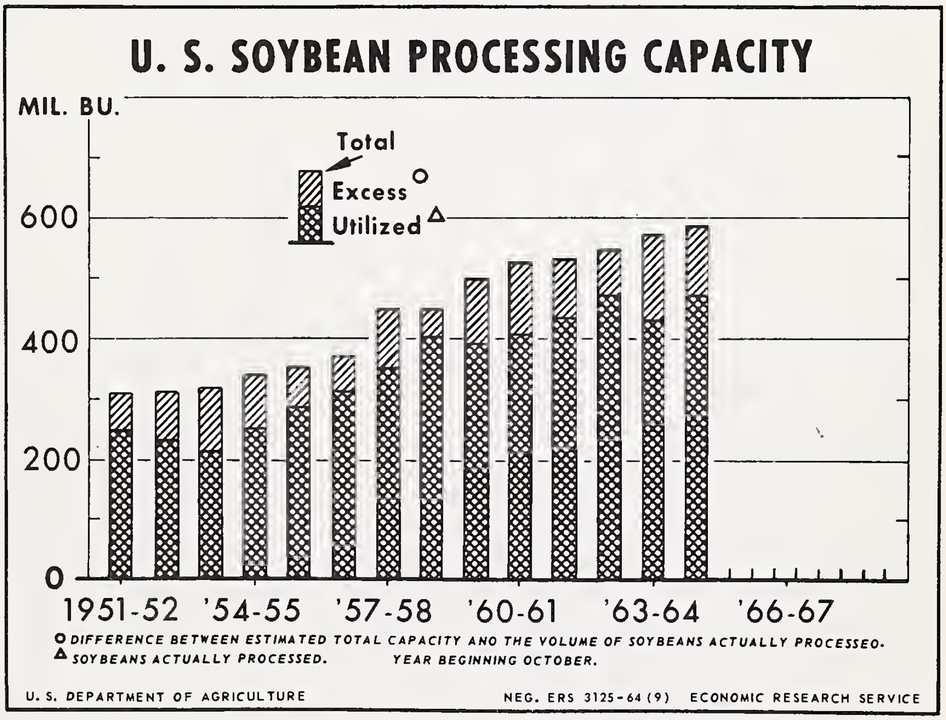
CURRENT SERIAL RECORDS

OS-225 For Release November 18, P. M. NOVEMBER 1964

U. S. soybean processing capacity in 1964-65, estimated at 585 million bushels, will almost double the capacity of about 300 million bushels recorded in 1951-52. Excess capacity--the difference between total capacity and soybeans actually processed--has averaged about 20 percent since 1951-52 even though crushings have increased steadily. Expanding plant capacity has exceeded supplies of soybeans available for crushing, thereby resulting in excess or unused processing capacity.

Soybean crushings during 1964-65 are forecast at around 470 million bushels and total capacity at 585 million bushels. If these estimates hold, the soybean processing industry will operate at about 80 percent of capacity during 1964-65 (see page 48).

U. S. SOYBEAN PROCESSING CAPACITY



○ DIFFERENCE BETWEEN ESTIMATED TOTAL CAPACITY AND THE VOLUME OF SOYBEANS ACTUALLY PROCESSED.
△ SOYBEANS ACTUALLY PROCESSED. YEAR BEGINNING OCTOBER.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 3125-64 (9) ECONOMIC RESEARCH SERVICE

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U. S. Soybean Processing Capacity Continues to Expand (page 48)

1964-65 Export Prospects for U. S. Soybean and Cottonseed Oils Favorable (page 20)

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ECONOMIC RESEARCH SERVICE, U. S. DEPARTMENT OF AGRICULTURE

Table 1.--Wholesale and retail prices per pound for fats and oils

Item	October		1964		
	1962	1963	August	September	October*
	Cents	Cents	Cents	Cents	Cents
Wholesale Prices:					
Butter, creamery, Grade A, (92-score) bulk, New York	58.7	59.2	60.3	62.5	
Butter, creamery, Grade A, (92-score) bulk. Chicago	58.0	58.5	59.5	61.3	60.5
Butter, creamery, Grade A, (92-score) prints, San Francisco	68.8	69.8	70.8	73.0	
Castor oil, dehydrated, tanks, New York	25.1	25.1	25.1	25.1	25.1
Castor oil, No. 1, Brazilian, tanks, imported, New York	16.2	14.3	14.6	14.6	14.4
Castor oil, No. 1, tanks, f.o.b., New Jersey mills	20.0	20.0	15.8	15.8	15.8
Castor oil, No. 3, domestic, tanks, carlots, f.o.b. New York	18.5	18.3	14.3	14.3	
Coconut oil, crude, tank cars, Pacific Coast, f.o.b. mills 1/	11.1	12.3	13.6	14.0	
Coconut oil, crude, tanks, f.o.b. New York, 1/	12.0	13.3	14.1	14.1	14.2
Coconut oil, refined, drums, l.c.l., New York 1/	16.0	16.2	17.4	17.4	17.4
Cod oil, spot, drums, New York	8.1	8.6	8.8	9.1	9.9
Codliver oil, medicinal, U. S. P., barrels, New York	16.9	17.6	18.2	18.2	18.2
Corn oil, crude, tank cars, f.o.b. Midwest mills	13.0	11.4	10.5	10.9	
Corn oil, refined, tanks, New York	16.2	14.5	13.1	13.4	15.4
Cottonseed oil, crude, tank cars, f.o.b., S. E. mills	10.6	10.7	10.3	10.2	
Cottonseed oil, crude, tank cars, f.o.b., Valley	10.5	10.5	10.3	10.2	10.7
Cottonseed oil, crude, tank cars, f.o.b., Texas	10.4	10.4	10.2	10.2	10.8
Cottonseed oil, p.s.y., bleachable, tank cars, New York 2/	12.6	13.0	11.6	11.8	12.6
Cottonseed oil, refined, tanks, New York	14.1	13.4	12.8	12.8	13.6
Cottonseed-oil foots, raw (50 percent T.F.A.) delivered East	1.8	1.6	1.6	1.6	1.6
Degras, Lanolin technical, drums, New York	21.0	21.0	35.0	37.0	37.0
Glycerin, soaplye, tanks, New York	10.0	11.0	14.1	14.0	14.0
Grease, A white, tank cars, delivered Chicago	5.0	6.1	6.6	7.2	
Grease, B white, delivered, Chicago	4.6	5.4	6.2	6.8	7.0
Grease, yellow, delivered, Chicago	4.4	5.0	5.9	6.5	
Grease oil, extra No. 1, drums, Chicago	12.0	12.0	12.0	13.2	13.5
Lard, loose, tank cars, Chicago	9.3	9.2	9.6	9.8	
Lard, prime steam, tierces, Chicago	8.9	9.2	9.6	9.9	11.4
Lard, refined, 1-pound cartons, Chicago	15.4	13.6	14.8	15.2	15.6
Lard, refined, 1-pound cartons, New York	15.0	14.9	14.4	15.2	17.6
Linseed oil, raw, tank cars, Minneapolis	12.6	12.7	13.3	13.3	
Linseed oil, raw, tanks, New York	13.7	13.8	14.4	14.4	14.4
Margarine, colored, delivered, Eastern U. S.	24.5	23.8	23.8	23.8	
Margarine, yellow, quarters, f.o.b., Chicago	24.4	25.2	25.2	25.2	25.4
Margarine, white, domestic vegetable, Chicago	23.2	23.2	23.2	23.2	23.4
Menhaden oil, crude, tanks, f.o.b. Baltimore	4.0	7.1	9.0	9.0	
Menhaden oil, light pressed, tanks, New York	9.8	9.5	11.3	11.3	11.3
Neat's foot oil, 30°, drums, carlots, New York	27.0	27.0	27.0	27.0	27.0
Oiticica oil, drums, f.o.b. New York	19.9	34.0	19.5	19.6	19.8
Oiticica oil, tanks, New York	17.9	32.0	17.5	17.6	17.8
Oleo oil, extra, drums, Chicago	17.4	17.2	17.8	18.0	18.0
Olive oil, imported, edible, drums, New York	37.5	41.9	33.9	33.3	33.9
Palm oil, clarified, drums, f.o.b. New York 3/	13.5	14.0	14.0	13.8	14.5
Palm kernel oil, bulk, c.i.f., New York 3/	10.8	13.2	13.4	13.5	13.3
Peanut oil, crude, tank cars, f.o.b. S. E. mills	15.2	11.4	13.4	14.9	16.4
Peanut oil, refined, tanks, New York	18.3	14.1	16.0	16.9	19.1
Rapeseed oil, refined (denatured), tanks, New York	14.2	13.0	14.0	14.2	14.2
Safflower oil, nonbreak, tanks, East Coast	18.0	12.5	12.4	13.2	13.6
Safflower oil, drums, East Coast	20.0	14.5	---	---	---
Sesame oil, refined, drums, New York	37.0	34.0	33.0	33.0	33.0
Shortening, Cottonseed, hydrogenated, 10-drum lots, New York	19.8	20.2	21.2	21.2	21.2
Soybean oil, crude, tank cars, f.o.b., Decatur	8.7	9.2	8.8	9.7	
Soybean oil, refined, tanks, New York	10.9	11.6	10.9	11.6	12.9
Soybean oil, clarified, tanks, New York	10.5	11.0	10.7	11.3	12.6
Sperm oil, natural, 45°, drums, New York	17.5	17.5	16.2	16.2	16.2
Sperm oil, bleached, winter 45°, drums, New York	18.5	18.5	17.2	17.2	17.2
Tall oil, crude, tanks, works	3.5	3.6	3.6	3.6	3.6
Tall oil, refined, tanks, works	7.5	7.5	7.5	7.5	7.5
Tallow, edible, loose, Chicago	10.2	9.3	9.2	10.0	
Tallow, inedible, packers' prime, c.a.f. delivered Chicago	4.8	5.7	6.5	7.1	7.2
Tallow, inedible, bleachable fancy, delivered, Chicago	5.7	6.4	7.5	7.9	8.0
Tallow, No. 1, inedible, delivered, Chicago	4.3	5.1	5.9	6.6	6.8
Tallow, special, inedible, tanks, delivered, New York	5.2	6.1	6.8	7.6	7.8
Tung oil, imported, drums, f.o.b. New York	41.8	36.0	25.4	25.2	25.3
Tung oil, tanks, New York	39.8	34.0	23.4	23.4	23.4
Tung oil, domestic, tanks, f.o.b. mills	38.9	32.5	24.8	24.5	24.5
Retail prices 4/					
Butter	75.0	75.6	73.9	74.4	
Margarine	28.0	27.6	25.9	25.8	
Lard	20.2	19.8	N.A.	N.A.	
Shortening	28.5	27.2	26.0	26.0	
Salad Dressing	38.4	38.4	5/37.2	5/36.7	
Peanut Butter	57.8	47.7	6/43.7	6/43.8	

1/ 3-cent processing tax suspended during October 1957-June 1966. 2/ Nearby futures. 3/ 3-cent processing tax suspended during July 1959-June 1966. 4/ Leading cities. 5/ Italian--8 ounces. 6/ 12 ounce jar.

*B. L. S. prices and retail prices not available as of November 12, 1964.

THE FATS AND OILS SITUATION

Approved by the Outlook and Situation Board, November 9, 1964

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SUMMARY

The U. S. supply of edible fats, oils, and oilseeds during the 1964-65 marketing year is forecast at 16.4 billion pounds (in terms of oil), about 4 percent less than the record quantity last year. The decline is due to a sharp drop of 700 million pounds or one-third in carryover stocks of butter and edible vegetable oils on October 1, 1964, as output in 1964-65 is expected to about equal the previous year. Domestic consumption of edible fats and oils in 1964-65 probably will rise about in line with population growth. Domestic disappearance in the latter part of the 1963-64 marketing year and the early part of 1964-65 may exceed consumption, probably as a result of an increase in stocks in unreported positions associated with the continued rise in edible oil prices. Based on Census reported data, about 6.4 billion pounds of food fats would be available for export and carryout stocks in 1964-65 compared with 7.0 billion a year earlier.

Exports of food fats (including the oil equivalent of soybeans) through September 1965 are forecast at around 5.2 billion pounds, up slightly from 1963-64, as increased shipments of edible vegetable oils and soybeans more than offset declines in butter and lard. Such an export volume would account for about one-third of the 1964-65 U. S. output of these commodities.

Main factors in the export outlook for 1964-65:

(1) Europe probably will keep buying more U. S. soybeans, because meal demand is expanding and oil prices are higher this year than last. Therefore, meal prices are relatively lower.

(2) Spain is again buying U. S. soybean oil for dollars; olive oil production is down sharply in the Mediterranean Basin countries.

(3) Shipments of edible oils (cottonseed and soybean) under the Food for Peace program (all Titles of P. L. 480) are expected to expand sharply to over a billion pounds, a third more than in 1963-64. A substantial Title I agreement has been made with India; and shipments under Title III barter will be greater this year than last. Titles II and III foreign donation programs will be increased by reason of edible oils replacing butter.

(4) A continued expansion in world demand for vegetable oilseeds and products will likely exceed the slight rise in production. Some depletion of world stocks, particularly olive and soybean oils, is expected and vegetable oil prices will be higher than a year earlier.

The general level of U. S. fats and oils wholesale prices advanced about 15 percent from early August 1964 through early November 1964, led by a sharp increase in soybean oil prices. The rise is associated primarily with the decline in the 1964 soybean crop prospects, a sharp reduction in the oil inventory this fall accompaning an increase in domestic disappearance, and the stronger export demand. The price strength has come at a time when U. S. oilseeds, fats, and oils marketings are the heaviest and prices normally are at their seasonal lows. But now with prospective 1964-65 supplies of food fats below year-earlier levels and domestic and export requirements greater, it appears that U. S. fats and oils prices have moved up to a higher plateau and likely will continue strong throughout the 1964-65 marketing year.

The U. S. supply of soybeans during the marketing year that started October 1 is estimated at a record 734 million bushels compared with 717 million in 1963-64. Soybean crushings are forecast at around 470 million bushels compared with 441 million in 1963-64. Soybean exports, put at around 200 million bushels, compare with 191 million last year. After allowing for seed, feed, and waste, this would leave carryout stocks of old-crop soybeans on September 30, 1965, at a minimum level of approximately 15 million bushels compared with 32 million this year and 15 million in 1963.

Because of the fairly close balance between supply and demand in 1964-65, soybean prices to farmers likely will remain relatively strong throughout the marketing year. Prices to growers in October 1964 averaged $2.55 per bushel, about the same as a year earlier and 30 cents above the 1964 support rate of $2.25. It is anticipated that soybean prices will fluctuate considerably this year. However, they probably will conform more closely to the usual season pattern than in 1963-64, when they hit their seasonal peak during harvest and then declined mainly because of the reduced demand for meal and the resultant smaller crush.

Crusher demand will be greater this marketing year, because (1) soybean oil stocks on October 1, 1964, were one-third less than the year before; (2) exports of soybean oil are expected to rise considerably above the 1963-64 level; and (3) soybean oil prices likely will average sharply above the 1963-64 level. Soybean meal exports are expected to increase and domestic use may be up slightly as meal prices average a little below last year's relatively high level. Thus it appears that processors' margins may improve some and average above the 6 cents per bushel of 1963-64. (A margin is the spread between spot prices paid for soybeans and the combined value of soybean products.)

Cottonseed production in the 1964-65 marketing year that started August 1 is estimated at 6,372,000 tons, about 3 percent above last year. Prices to farmers for 1964-crop cottonseed are averaging about $46 per ton, $5 below last year and near the CCC purchase price of $44 per ton, basis grade (100). Prices are expected to increase some in the latter part of the marketing period, because of higher product prices.

The cottonseed oil supply is placed at 2.6 billion pounds, 5 percent above a year earlier and the largest in a decade. Domestic use is forecast at 1.5 billion pounds and exports around 0.7 billion, both above year-earlier levels. Prices of cottonseed oil probably will average somewhat above 1963-64; the price differential between cottonseed oil and soybean oil likely will be narrower and possibly erased. Because of lower prices paid by crushers for cottonseed this year, higher oil prices, and prospective increases in disappearance, the CCC is not expected to acquire cottonseed oil under the program this year. In 1963-64, CCC acquired 165 million pounds of cottonseed oil, all of which has been programed for foreign donations.

Lard supply in the 1964-65 marketing year that began October 1 is forecast at 2.4 billion pounds, 6 percent below 1963-64 and the smallest since 1953. Domestic use is estimated at 1.7 billion pounds and exports at over 0.6 billion, both slightly below 1963-64 levels. Lard prices are expected to average well above year-earlier levels.

OUTLOOK

1964-65 Soybean Supply Up, Carryout Placed at Minimum Level

Soybean supplies in the 1964-65 marketing year are placed at 734 million bushels compared with 717 million last year (table 3). The increase is due to larger starting stocks on October 1, 1964; they totaled 32 million bushels, more than double the 15 million a year earlier. The 1964 soybean crop was estimated as of November 1 at 702 million bushels compared with 701 million in 1963. Soybean acreage for harvest was 30.9 million, up 2.3 million from 1963. Indicated national yield November 1 was 22.7 bushels per acre, nearly 2 bushels below last year. Dry hot weather during the growing season in the heart of the soybelt was largely responsible for the drop in yields this year.

The 1964 soybean crop will bring supplies closer in balance with probable market outlets than last year because of the prospective increases in crush and in exports. Carryover stocks of 1964-crop soybeans on October 1, 1965 are currently forecast at around 15 million bushels compared with 32 million on the same date in 1964 and 15 million in 1963. A carryover of 15 million bushels would be about equal to 1 week's requirement for crushing and export.

Soybean Farm Prices in 1964-65 May Average About Same As Year Earlier

The U. S. season average price received by farmers for 1964-crop soybeans is forecast at about $2.55 per bushel, 30 cents above the support rate and approximately the same as a year earlier. Prices to soybean growers in October 1964, the first month of the current marketing year, averaged $2.55 per bushel compared with $2.56 in October 1963. There is some similarity between the market situation this fall and last, as soybean prices were bid up early during the heavy harvesting season.

Last year, soybean prices to farmers declined contraseasonally from $2.66 per bushel in November 1963 to $2.34 in July 1964. The price pattern developed from early prospects in the fall of 1963 for a continuing uptrend in soybean usage in 1963-64, partly because Russia entered some commodity markets. Subsequently, however, soybean crushings declined, mainly due to lower oil prices than a year earlier because of high oil stocks and because of reduced domestic consumption of soybean meal.

The current price level resembles the fall of 1963 but some basic market factors are different. The factors are: (1) soybean oil stocks have been reduced sharply from year-earlier levels, export demand is stronger, and oil prices are higher; (2) carryover of soybeans at the end of the current marketing year may be at a minimum; and (3) there will be a better balance in the relative demands for soybean oil and meal.

The support price of $2.25 per bushel for 1964-crop soybeans is the same as the year before. Loans and purchase agreements are available through January 1965. Loans mature on July 31, 1965.

CCC loan activity likely will remain large as farmers use the program for interim financing. However, acquisitions of 1964-crop soybeans under the price support program probably will be negligible. The CCC on September 18, 1964, announced continuation of the current minimum CCC sales price for soybeans through September 1965. The minimum price is the county support rate for 1964-crop No. 2 grade soybeans, plus 19 cents per bushel. The national average support price is $2.25 per bushel, and with the 19-cent margin, the CCC average minimum sales price thus will be $2.44 per bushel. This price applies to soybeans in-store meeting quality standards for the maximum value on the trade-buying basis (substantially No. 1 quality) and is subject to trade discounts for lower qualities. Value of paid-in freight also will be added to the price as applicable. The 19-cent markup reflects (1) an adjustment to compensate for the difference between the pricing basis on which the trade buys and the No. 2 loan rate; (2) truck load-in charges of 5 cents per bushel, and (3) reasonable carrying charges. The actual CCC sales price will be the higher of the market price or the computed minimum price.

Farmers placed 73 million bushels of 1963-crop soybeans under support (70 million in warehouse and in farm loans and 3 in purchase agreements) compared with 69 million the year before. About 12 million bushels were acquired by CCC and almost immediately sold. The rest of soybeans were redeemed, except for 6.5 million bushels that were resealed in farm storage as of September 30, 1964. Loans on farm-stored soybeans under the reseal program mature July 31, 1965. If a farmer redeems his resealed beans before the maturity date, the storage payment he receives will be prorated at 14 cents per bushel, annual rate.

Table 2.--Food fats and oils: Supply and disposition, 1956-64

Item	Year beginning October									
									Forecast*	
	1956	1957	1958	1959	1960	1961	1962	1963 1/	1964	1965
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Stocks, October 1										
Soybeans--oil equivalent 2/	41	109	231	680	256	66	634	166	352	3/165
Butter	90	145	146	93	136	238	4/442	4/469	4/204	179
Lard	123	69	46	93	92	100	73	81	68	68
Cottonseed oil	254	146	154	190	217	170	296	488	418	218
Soybean oil	227	286	281	298	308	677	618	920	578	378
Other 5/	66	49	56	60	78	94	128	182	118	93
Sub-total	760	694	6/683	734	830	1,279	1,557	2,140	1,386	936
Finished products 7/	129	113	118	142	156	249	8/442	314	205	150
Total food fats and oils	889	807	801	876	987	1,528	1,999	2,454	1,591	1,036
Imports	52	70	74	66	81	91	55	73	75	
Production										
Butter	1,527	1,502	1,413	1,435	1,488	1,595	1,491	1,450	1,425	
Lard	2,614	2,423	2,679	2,726	2,484	2,471	2,497	2,482	2,350	
Cottonseed oil 9/	1,629	1,420	1,589	1,832	1,786	1,952	1,930	1,939	2,000	
Soybean oil	3,431	3,800	4,251	4,338	4,420	4,790	5,091	4,822	5,100	
Other 5/ 9/	719	678	767	771	863	923	1,057	1,101	1.150	
Sub-total	9,920	9,823	10,700	11,102	11,041	11,731	12,066	11,794	12,025	
Soybean exports (oil equiv.)	937	939	1,209	1,552	1,431	1,685	1,984	2,102	2,200	
Total food fats and oils	10,857	10,762	11,909	12,654	12,472	13,416	14,050	13,896	14,225	
Total supply	11,798	11,639	12,784	13,596	13,540	15,035	16,104	16,423	15,890	
Exports 10/										
Butter	18	36	19	22	9	11/20	11/122	11/351	11/100	
Lard	590	461	608	716	513	508	571	700	650	
Cottonseed oil 9/	427	250	406	506	11/371	11/474	11/392	11/584	11/700	
Soybean oil	807	804	930	953	11/721	11/1,308	11/1,165	11/1,104	11/1,300	
Other 5/ 9/	62	19	34	43	11/40	11	15	87	125	
Adjustment 12/	61	85	117	88	83	77	93	107	125	
Sub-total	1,965	1,655	2,114	2,328	1,737	2,398	2,357	2,934	3,000	
Soybeans (oil equivalent)	937	939	1,209	1,552	1,431	1,685	1,983	2,102	2,200	
Total exports	2,903	2,593	3,323	3,880	3,168	4,083	4,340	5,036	5,200	
Domestic use										
Butter	1,458	1,467	1,449	1,373	1,378	1,373	1,346	1,366	1,350	
Lard 13/	2,039	1,994	2,204	2,005	1,968	1,985	1,908	1,796	1,700	
Cottonseed oil	1,310	1,195	1,147	1,299	1,461	14/ [1,352	1,347	1,424	1,500	
Soybean oil	2,565	3,051	3,304	3,376	3,329	[3,540	3,625	4,060	4,000	
Other 5/	722	719	796	773	912	968	1,040	1,150	1,125	
Adjustment 12/	-61	-85	-117	-88	-83	-77	-93	-107	-125	
Total 13/	8,033	8,341	8,603	8,739	8,965	9,140	9,173	9,689	9,550	
Total (calculated net) 15/	8,049	8,336	8,579	8,725	8,872	8,949	9,310	9,794	9,605	
Total use for food 16/	7,886	8,145	8,389	8,438	8,560	8,571	8,916	9,591		
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	
Per capita, civilian and military 17/										
Butter (Fat content)	6.9	6.8	6.6	6.1	6.1	6.0	5.7	5.7	5.6	
Other	37.7	38.5	39.4	39.3	39.2	38.7	40.2	43.0	40.8	
Total (fat content)	44.6	45.3	46.0	45.4	45.3	44.7	45.9	48.7	46.4	

1/ Preliminary. 2/ Not included in total stocks. 3/ Oil equivalent of 15 million bushels of soybeans. 4/ Includes estimates of butter oil, ghee, and canned butter not shown in cold storage stocks report. 5/ Includes beef fats, peanut, corn, olive and sesame oils. 6/ Adjusted to new Census basis which includes hydrogenated oils and stearin. 7/ Shortening and salad and cooking oils. 8/ Includes 100 million pounds of shortening and salad and cooking oils (75 million SBO and 30 million CSO) which was held by CCC on October 1, 1962 for foreign donations during 1962-63. 9/ Includes oil equivalent of oilseeds exported. 10/ Includes shipments. Butter, cottonseed oil and adjustments include quantities from CCC stocks that are not reported in Census data. 11/ Includes estimates of foreign donations of fats and oils, not reported by Census. 12/ Includes exports of processed food oils not classified by kind, shortening and other secondary fats. 13/ Adjusted for estimated changes in stocks of farm lard. 14/ Includes 180 million pounds of shortening and salad and cooking oils purchased by CCC for foreign donations but not exported in 1961-62. 15/ Adjusted to reflect changes in stocks of finished products. 16/ Excludes food fats used for non-food purposes, but includes non-food oils (mostly coconut and palm kernel) used in food. 17/ Adjusted for trade and changes in stocks of shortening, margarine and salad and cooking oils.

*Except for October 1, 1964 stocks.

1964-65 Soybean Crushings to be Up, Oil Demand Strong Factor

Soybean crushings, based on the projected requirements for both soybean oil and meal, are forecast at around 470 million bushels. This would be about 7 percent above the 441 million in 1963-64 and compares with the 1962-63 record of 475 million. A crush this size would produce 5,100 million pounds of soybean oil (assuming yield of 10.8 pounds per bushel) and 11.0 million tons of soybean meal (assuming yield of 47.0 pounds per bushel).

Trade sources estimate the annual U. S. soybean crushing capacity to be 585 million bushels, including capacities of new plants. (See page 48 for special article on processing capacity trends.) Based on this estimate, the soybean industry will be operating at about 80 percent of capacity during the 1964-65 processing season.

Soybean crushings during the 1963-64 season that ended September 30 totaled 441 million bushels, 34 million less than the year before. The October 1963 crush totaled 40.5 million bushels, the highest month for the 1963-64 year, and then dropped sharply to 33.8 million in March (table 5). The crush then increased to 37.3 million bushels in July 1964 and remained at about this level during August and September. The 1963-64 average monthly grind was 36.8 million bushels compared with the 1962-63 record rate of 39.5 million. Factors responsible for the cutback in the soybean crush during 1963-64 include: The small margins processors received for soybean oil and meal relative to soybean prices; the heavy supply of edible vegetable oils; and the sharp domestic drop in use of soybean meal--due mainly to unfavorable livestock-feed price ratios, relatively high soybean meal prices, and a mild winter last year.

Soybean oil demand during the 1964-65 marketing year is expected to be a greater determinant in the volume of soybean crushings than in recent years because of the sharp reduction in the oil inventory and the improved export prospects. Soybean meal demand will continue to be an important factor, too, in that it will tend to regulate the crush because of the storability problem with soybean meal. But with oil prices higher and meal prices lower than in 1963-64, both domestic use and exports of soybean meal are expected to increase.

Soybean Oil Supply to Stay About the Same; Stocks to Remain Low, Prices Will be Higher

The 1964-65 supply of soybean oil is forecast at 5.7 billion pounds, approximately the same as a year earlier, as increased production tends to offset smaller starting stocks on October 1, 1964 (table 4). Domestic disappearance is forecast at 4.0 billion pounds and exports at 1.3 billion, leaving carryover stocks on September 30, 1965, of around 0.4 billion pounds (crude and refined), the smallest since the 308 million pounds in 1960. (See Edible Oil Export Outlook, page 20).

Table 3.--Soybeans: Supply and Disposition, Acreage and Price, 1955-64

Item	Year beginning October									Forecast
	1955	1956	1957	1958	1959	1960	1961	1962	1963 1/	1964 2/
	Supply and Disposition (Million bushels)									
Supply:										
Stocks, October 1	9.9	3.7	9.9	21.1	62.1	23.2	6.0	57.6	15.1	32
Production	373.7	449.3	483.4	580.2	532.9	555.3	679.6	669.2	701.5	702
Minus: Estimate of current crop crushed and exported before October 1	-10.0	-5.5	-5.0	-5.0	-8.5	-6.5	-5.5	-17.0	3/	3/
Plus: Estimate of next year's crop crushed and exported in September	5.5	5.0	5.0	8.5	6.5	5.5	17.0	6.5	3/	3/
Total availabilities	379.1	452.5	493.3	604.8	593.0	577.5	697.1	716.3	716.6	734
Disposition:										
Crushings	283.1	316.0	353.8	401.2	393.4	402.2	438.8	474.5	440.9	470
Exports	67.5	85.4	85.5	110.1	141.4	130.1	153.2	180.3	191.1	200
Seed	25.8	26.4	29.5	27.4	29.3	32.9	33.5	34.4	37.1	38
Feed	1.7	1.7	1.5	1.9	1.5	1.3	1.1	1.2	1.2	1
Residual	-2.7	13.1	1.9	2.1	4.2	5.0	12.9	10.8	14.3	10
Total disposition	375.4	442.6	472.2	542.7	569.8	571.5	639.5	701.2	684.6	719
Ending stocks:										
Commercial	3.7	4.7	7.2	4.5	13.5	6.0	6.6	15.1	25.5	15
Reseal	---	---	---	13.4	---	---	11.0	---	6.5	---
CCC	---	5.2	13.9	44.2	9.7	---	40.0	1.7	---	---
Total	3.7	9.9	21.1	62.1	23.2	6.0	57.6	15.1	32.0	15
	Acreage and Yield (Million acres)									
Acreage grown alone	19.7	21.7	21.9	25.1	23.3	24.4	27.8	28.4	29.5	31.7
Acreage harvested for beans	18.6	20.6	20.9	24.0	22.6	23.7	27.0	27.6	28.6	30.9
Percent harvested (%)	94.4	94.9	95.4	95.6	97.0	97.1	97.1	97.2	96.9	97.5
	(Bushels)									
Yield per acre harvested	20.1	21.8	23.2	24.2	23.5	23.5	25.2	24.2	24.5	22.7
	(Million bushels)									
Production	373.7	449.3	483.4	580.2	532.9	555.3	679.6	669.2	701.5	701.5
	Price (Dollars)									
Price per bushel:										
Support	2.04	2.15	2.09	2.09	1.85	1.85	2.30	2.25	2.25	2.25
Received by farmers	2.22	2.18	2.07	2.00	1.96	2.13	2.28	2.34	2.54	2.55
No. 1 yellow, Chicago	2.59	2.43	2.27	2.21	2.17	2.62	2.50	2.61	2.66	

1/ Preliminary.
2/ Supply and disposition forecast, except stocks October 1, based on November 1 indications.
3/ Data are not available for making estimates.

Table 4.--Soybean oil: Supply and disposition, crop years, 1956-64

Item	Year beginning October								
	1956	1957	1958	1959	1960	1961	1962	1963 1/	Forecast 1964
	(Million pounds)								
Supply									
Stocks, October 1	227	286	281	298	308	677	618	920	578
Production	3,431	3,800	4,251	4,338	4,420	4,790	5,091	4,822	5,100
Total supply	3,658	4,086	4,532	4,636	4,728	5,467	5,709	5,742	5,678
Disposition:									
Domestic disappearance	2,565	3,051	3,304	3,376	3,329	3,540	3,625	4,060	4,000
Exports	807	804	930	953	721	1,308	1,165	1,104	1,300
Total disposition	3,372	3,855	4,234	4,329	4,050	4,848	4,789	5,164	5,300
Stocks September 30	286	281	298	308	677	618	920	578	
	(Cents)								
Price per pound									
Crude, tanks, Decatur	12.7	10.8	9.5	8.3	11.3	9.5	8.9	8.5	

Soybean meal: Supply and Disposition, crop years, 1956-64

	(1,000 tons)								
Supply									
Stocks, October 1 3/	111	55	48	58	83	78	94	159	122
Production	7,510	8,284	9,490	9,152	9,452	10,342	11,127	10,609	11,050
Total supply	7,621	8,339	9,538	9,210	9,535	10,420	11,221	10,768	11,172
Disposition:									
Feed	7,123	7,992	8,968	8,480	8,867	9,262	9,586	9,162	9,350
Exports	443	300	512	649	590	1,064	1,476	1,485	1,700
Total disposition	7,566	8,292	9,480	9,129	9,457	10,326	11,062	10,647	11,050
Stocks, September 30	55	48	58	83	78	94	159	122	
	(Dollars)								
Price per ton									
Bulk, Decatur	47.45	53.40	55.80	55.55	60.60	63.60	71.30	71.00	

Price spread between soybeans and value of oil and meal per bushel, 1956-64

	Dollars per bushel of soybeans crushed							
Value of--								
Soybean oil, crude, Decatur	1.38	1.16	1.01	.91	1.24	1.04	.95	.93
Soybean meal, bulk, Decatur	1.13	1.25	1.32	1.29	1.42	1.50	1.67	1.71
Total	2.51	2.41	2.33	2.20	2.66	2.54	2.62	2.64
Soybeans, No. 1 Yellow, Ill. Pts.	2.33	2.19	2.11	2.08	2.55	2.41	2.53	2.58
Processing spread	.18	.22	.22	.12	.11	.13	.09	.06

1/ Preliminary.

2/ Based on a soybean crush of 470 million bushels and oil yield of 10.8 pounds and meal yeild of 47.0 pounds.

3/ Stocks at processors' mills.

Factors in the domestic disappearance forecast for soybean oil during 1964-65: (1) Per capita use of food fats and oils will remain at around 46 pounds (fat content); (2) lard production and usage will be down about 6 percent, but lard buying for domestic school lunches and the needy probably will continue at about 100 million pounds annually; (3) cottonseed oil domestic usage will increase because of the narrow price differential between it and soybean oil; and (4) domestic butter donations will be considerably below the heavy rate in 1963-64.

Last season, monthly average prices of soybean oil declined from 9.2 cents per pound in October 1963 to 7.9 cents in April 1964, then increased to 9.7 cents in September (table 6). Bean oil prices for the entire 1963-64 marketing year averaged 8.5 cents per pound, down 0.4 cent from 1962-63 and the second lowest seasonal level in the postwar era (1959-60 average was lowest, at 8.3 cents).

Soybean oil prices (crude, Decatur) for the entire 1964-65 marketing year may average 2 to 3 cents per pound higher than in 1963-64. Total disappearance of soybean oil likely will be record high, and oil stocks are expected to remain sharply below year-earlier levels. Prices in October, the first month of the current marketing year, averaged approximately 11.0 cents per pound, 1.5 cents above a year earlier.

Soybean Meal Supply to be Up, Exports Up, Prices Down

The soybean meal supply in the 1964-65 marketing year that started October 1 is forecast at 11.2 million tons compared with 10.8 million for 1963-64 (table 4). Domestic disappearance is forecast at 9.4 million tons (it was 9.2 million in 1963-64) and exports at a record 1.7 million (it was 1.5 million in 1963-64), leaving carryover stocks about unchanged from this October 1.

Considerations in the domestic disappearance forecast for soybean meal during 1964-65 include: (1) Increasing demand for livestock products because of rising population and consumer incomes; (2) a slightly higher feeding rate of protein per animal unit, because prices of livestock are expected to average higher than in 1963-64; (3) larger supplies of soybean meal for feeding at slightly lower prices; and (4) growing competition from synthetic urea as a substitute protein source. The number of high-protein consuming animal units in 1964-65, currently estimated at 145 million, is down slightly from the 146 million in 1963-64. Based on these early prospects, the quantity of protein feeds fed per animal unit would be about 3 percent above the 226 pounds fed in 1963-64 (table 12, page 19).

Export demand for soybean meal is generated essentially by the same factors discussed in the next section for soybeans. Demand for oilseed meals is strong and continues upward, particularly in Western Europe, where U. S. meal has established a reputation for high quality. The expanding demand for protein concentrates in Europe also reflects increasing demand for livestock products, rising incomes, and preferences for meat. Other factors include increased knowledge of the feeding value of soybean meal and continued improvement in feeding practices. Soybean meal exports during 1963-64 totaled 1.5 million tons; about three-fourths went to Western Europe (table 9, page 17).

Table 5 .--Soybeans: Crushings and yields of oil and meal per bushel crushed, exports and price, by months, crop years, 1953-63

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
							Crushings						
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1953	21.3	20.3	20.8	20.8	18.9	19.3	17.6	17.5	15.4	15.4	14.8	11.1	213.2
1954	21.7	22.2	21.2	21.5	19.8	19.5	20.0	21.0	22.1	21.3	19.9	18.7	249.0
1955	25.4	25.4	23.9	24.4	24.5	25.4	25.3	24.6	22.2	20.4	21.8	19.9	283.1
1956	27.9	26.6	27.0	28.4	26.6	28.9	27.3	26.5	24.7	24.4	25.4	22.2	315.9
1957	28.1	29.2	28.4	31.1	27.1	30.8	31.5	32.2	28.7	30.0	31.6	25.1	353.8
1958	33.5	33.5	34.4	36.7	34.0	36.0	34.6	36.4	33.2	31.9	29.6	27.5	401.2
1959	35.3	36.1	34.1	34.1	30.9	34.8	33.2	33.2	31.3	31.4	32.1	26.9	393.4
1960	35.6	37.1	38.1	39.0	34.6	34.8	33.0	34.3	31.9	31.0	30.0	23.0	402.2
1961	36.5	38.5	38.7	41.0	36.3	38.8	36.5	38.6	34.3	34.8	34.4	30.4	438.8
1962	39.9	42.8	42.8	42.8	38.8	41.9	36.0	41.1	39.0	38.2	39.0	32.2	474.5
1963 1/	40.5	39.4	39.2	36.0	34.6	33.8	35.3	36.3	35.0	37.3	37.2	36.3	440.9
1964													
							Yield of oil per bu. crushed						
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1953	10.8	10.8	10.9	11.0	11.1	11.1	11.0	11.0	11.1	11.3	11.2	11.2	11.0
1954	10.9	10.8	10.8	10.8	10.8	10.8	10.9	10.9	11.0	11.0	11.0	11.0	10.9
1955	11.0	10.9	11.0	11.0	11.1	11.1	11.1	11.1	11.2	11.2	11.4	11.1	11.1
1956	10.8	10.7	10.7	10.7	10.8	10.8	10.9	10.9	11.0	11.0	10.9	11.0	10.9
1957	10.9	10.7	10.6	10.6	10.7	10.7	10.7	10.8	10.8	10.9	10.8	10.8	10.7
1958	10.5	10.5	10.4	10.5	10.5	10.6	10.6	10.6	10.7	10.8	10.8	10.8	10.6
1959	11.1	10.9	11.0	10.9	10.9	10.9	11.1	11.0	11.1	11.2	11.2	11.1	11.0
1960	11.0	10.9	10.9	10.9	10.9	11.0	11.0	11.0	11.1	11.1	11.1	11.0	11.0
1961	10.9	10.8	10.8	10.8	10.9	10.9	10.9	11.0	11.0	11.0	11.0	11.0	10.9
1962	10.7	10.6	10.5	10.7	10.6	10.8	10.7	10.8	10.8	10.8	10.9	10.7	10.7
1963 1/	10.9	10.8	10.8	10.8	10.9	10.9	10.9	11.0	11.0	11.0	11.1	11.0	10.9
1964													
							Yield of meal per bu. crushed						
1953	47.5	47.5	47.6	47.4	46.5	47.4	47.7	47.5	47.2	47.9	47.9	46.3	47.4
1954	46.0	45.7	45.8	45.7	45.6	45.5	45.6	45.7	46.1	46.2	46.1	45.9	45.8
1955	45.7	46.0	45.4	46.4	45.9	46.1	46.2	46.4	46.5	46.6	47.1	46.2	46.2
1956	47.1	47.5	47.7	47.5	47.3	47.6	47.6	48.1	48.0	47.9	47.6	46.5	47.5
1957	46.4	46.7	46.7	46.7	46.4	46.6	46.9	47.1	46.6	47.7	46.8	47.2	46.8
1958	46.9	47.1	47.5	47.6	47.1	47.5	47.2	47.1	47.5	47.7	48.1	47.1	47.3
1959	46.5	46.5	46.7	46.4	46.2	46.0	46.4	46.3	46.8	46.7	46.9	46.8	46.5
1960	46.7	47.0	47.1	47.2	46.9	47.0	46.9	46.6	47.1	47.3	47.1	47.3	47.0
1961	46.7	46.9	47.1	46.9	47.2	46.9	47.0	47.2	47.2	47.4	47.5	47.5	47.1
1962	46.6	47.0	46.7	47.0	46.9	46.7	46.8	47.0	47.1	47.0	47.2	46.9	46.9
1963 1/	47.7	47.7	47.6	47.9	47.9	47.9	47.6	48.3	48.5	49.1	49.0	48.3	48.1
1964													
							Exports						
	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1953	5.8	10.1	7.7	3.7	2.5	1.7	3.2	1.6	1.0	1.0	.7	.7	39.7
1954	6.4	12.5	8.6	5.3	3.8	3.2	2.8	3.3	2.7	4.4	3.5	4.0	60.6
1955	8.8	13.2	12.7	6.8	2.6	1.9	5.1	4.3	3.7	3.7	1.7	2.9	67.5
1956	10.2	10.5	15.9	7.8	4.2	5.4	5.7	5.1	3.5	4.6	7.8	4.5	85.4
1957	9.9	15.6	13.7	7.2	3.9	3.8	5.1	6.6	5.1	6.4	6.5	1.6	85.5
1958	12.1	15.8	10.2	9.3	8.4	5.0	9.4	9.2	8.9	9.9	5.2	6.7	110.1
1959	12.1	20.4	18.1	10.3	7.7	7.2	8.1	14.4	11.8	9.2	13.9	8.2	141.4
1960	14.1	22.7	20.6	9.1	10.2	8.5	7.7	11.4	7.7	7.7	7.0	3.6	130.1
1961	20.7	23.6	16.5	10.9	10.3	11.0	11.7	12.7	11.9	8.1	8.4	7.3	153.2
1962	22.4	27.4	18.7	3.7	19.3	14.4	14.1	11.6	15.6	14.3	11.8	7.2	180.3
1963 1/	19.8	21.3	21.8	17.0	16.2	13.6	17.6	14.0	13.0	11.9	13.7	11.0	191.1
1964													
							Average price per bu. received by farmers, United States 2/						
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1953	2.41	2.60	2.81	2.83	2.97	3.22	3.52	3.55	3.49	3.47	3.25	2.51	2.72
1954	2.54	2.57	2.57	2.58	2.61	2.54	2.42	2.36	2.32	2.23	2.20	2.00	2.46
1955	2.08	2.06	2.11	2.19	2.25	2.38	2.63	2.98	2.87	2.47	2.33	2.07	2.22
1956	2.07	2.27	2.27	2.31	2.25	2.26	2.24	2.23	2.18	2.24	2.27	2.13	2.18
1957	2.04	2.04	2.06	2.05	2.05	2.10	2.16	2.13	2.13	2.11	2.11	1.98	2.07
1958	1.93	1.89	1.97	2.02	2.05	2.07	2.10	2.13	2.09	2.05	1.98	1.90	2.00
1959	1.93	2.00	1.98	2.01	1.99	1.99	2.02	2.00	1.97	1.97	1.99	1.97	1.96
1960	1.94	1.96	1.99	2.23	2.48	2.68	3.02	2.96	2.60	2.48	2.49	2.24	2.13
1961	2.20	2.27	2.30	2.32	2.32	2.34	2.38	2.36	2.34	2.35	2.33	2.25	2.28
1962	2.23	2.30	2.35	2.41	2.50	2.51	2.45	2.47	2.48	2.44	2.45	2.44	2.34
1963 1/	2.56	2.66	2.58	2.65	2.57	2.55	2.45	2.36	2.35	2.34	2.35	2.51	2.54
1964	2.55												

1/ Preliminary. 2/ Season average price includes an allowance for unredeemed loans and purchase agreement deliveries by States.

Table 6.--Soybean oil: Supply, disposition and price, by months, crop years, 1953-1963

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Production												
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1953	230	219	226	228	209	213	195	193	172	173	166	125	2,350
1954	236	240	228	231	214	211	218	229	244	236	219	206	2,711
1955	280	277	262	270	271	281	281	273	249	228	249	221	3,143
1956	302	285	290	305	287	313	298	290	272	269	277	244	3,431
1957	307	313	300	328	289	330	336	347	311	328	341	270	3,800
1958	353	351	360	386	355	381	366	386	355	344	319	297	4,251
1959	391	393	372	373	338	381	368	366	349	350	358	298	4,338
1960	391	404	414	426	378	381	363	377	353	345	334	253	4,420
1961	397	418	418	442	395	423	397	425	377	384	380	334	4,790
1962	429	452	450	456	413	452	386	444	422	414	427	346	5,091
1963 1/	442	426	425	389	376	369	386	399	386	412	414	399	4,822
1964													
	Stocks, first of month												
1953	174	150	163	208	242	233	239	241	231	211	211	196	
1954	127	146	157	176	198	201	176	170	159	150	186	192	
1955	179	180	217	218	219	209	213	282	297	296	288	255	
1956	227	210	209	233	238	230	248	270	298	279	317	313	
1957	286	305	374	406	376	360	407	442	393	343	364	337	
1958	281	193	236	324	380	452	476	509	508	473	464	384	
1959	298	321	422	507	565	555	600	644	574	424	452	312	
1960	308	367	448	470	521	538	625	676	715	765	773	766	
1961	677	738	802	860	938	969	966	939	944	825	780	700	
1962	618	594	640	734	725	846	842	788	833	878	921	923	
1963 1/	920	3/	899	988	1,022	1,006	991	922	873	815	759	666	
1964 1/	578												
	Exports 2/												
1953	2	4	3	3	19	31	2	3	1	1	2	1	71
1954	5	4	4	3	2	4	3	4	3	6	10	2	50
1955	12	31	55	47	45	43	32	48	41	58	70	76	556
1956	82	39	100	92	88	129	73	60	62	34	20	27	807
1957	38	12	48	53	15	55	34	194	96	64	91	104	804
1958	76	20	70	88	10	49	57	112	53	155	103	135	930
1959	32	60	33	31	56	52	100	110	171	81	196	30	953
1960	42	78	111	75	44	14	66	29	91	64	74	32	721
1961	60	53	65	84	79	76	163	106	174	175	150	122	1,308
1962	63	85	97	18	46	163	196	104	78	85	88	143	1,165
1963 1/	100	42	57	70	75	69	126	63	114	131	133	125	1,104
	Domestic disappearance												
1953	252	203	178	191	199	176	192	200	190	173	179	193	2,326
1954	212	224	204	205	209	232	220	237	250	193	204	217	2,609
1955	267	209	206	222	236	236	180	210	208	179	213	174	2,539
1956	236	247	166	208	207	166	203	202	229	197	260	244	2,565
1957	249	232	221	305	290	227	267	202	265	243	277	272	3,051
1958	314	288	201	241	273	308	275	275	338	197	296	248	3,304
1959	336	231	254	285	292	283	225	326	327	242	303	272	3,376
1960	290	246	281	300	317	280	246	309	211	272	268	309	3,329
1961	276	300	295	280	285	349	260	314	322	253	310	294	3,540
1962	390	322	260	446	246	292	245	295	299	286	337	206	3,625
1963 1/	362	385	279	284	317	315	329	385	331	337	373	363	4,060
1964													
	Price per pound, crude, tank cars, f.o.b. Decatur												
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1953	13.3	13.6	12.6	12.1	12.5	13.3	14.1	13.9	14.2	14.1	14.8	13.5	13.5
1954	12.1	12.2	12.5	12.2	12.2	11.8	11.6	12.2	12.6	11.6	11.3	10.6	11.9
1955	10.9	11.0	10.9	11.7	12.8	14.3	14.9	15.3	13.6	12.5	11.4	11.3	12.5
1956	12.5	13.6	14.1	14.4	14.0	13.1	12.4	11.7	11.7	11.9	11.4	11.3	12.7
1957	11.3	11.6	11.4	11.5	11.4	11.0	11.0	11.0	10.2	9.9	10.0	9.8	10.8
1958	10.2	10.4	9.5	9.5	9.3	9.3	9.3	9.4	9.5	9.2	9.3	9.1	9.5
1959	8.6	8.0	7.8	7.8	7.6	7.6	8.0	8.2	8.7	9.0	9.5	9.2	8.3
1960	9.4	10.2	10.0	10.9	12.2	13.0	13.3	12.7	11.6	10.9	10.9	10.5	11.3
1961	10.7	10.4	10.5	10.5	10.2	10.1	9.9	9.3	8.4	8.0	8.2	8.1	9.5
1962	8.7	8.6	8.6	8.9	9.2	9.3	9.1	9.2	9.1	9.0	8.3	8.5	8.9
1963 1/	9.2	9.1	8.3	8.1	8.0	8.1	7.9	8.4	8.2	8.5	8.8	9.7	8.5
1964 1/	10.8												

1/ Preliminary. 2/ Beginning April 1961 includes estimates of foreign donations not reported by Census. 3/ Not available by Census.

Totals computed from unrounded numbers.

Table 7.--Soybean cake and meal: Supply, disposition and price, by months, crop years 1953-63

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
Production													
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1953	505.1	481.6	494.3	492.7	438.4	456.7	420.7	416.3	364.5	368.1	354.5	257.7	5,050.6
1954	499.6	507.3	484.6	491.3	450.5	444.3	456.2	480.0	509.4	493.5	458.6	429.5	5,704.8
1955	580.0	583.6	548.7	567.0	563.2	584.4	583.6	570.2	517.3	475.3	513.0	459.5	6,545.8
1956	657.1	631.4	643.8	674.9	630.0	688.8	650.0	636.1	592.8	583.0	604.2	517.5	7,509.6
1957	652.3	683.2	663.3	725.9	628.1	718.4	737.8	759.2	669.6	714.7	740.5	591.3	8,284.3
1958	785.0	779.3	810.0	872.6	800.0	855.4	816.3	862.3	788.3	761.5	712.2	647.2	9,490.1
1959	822.5	838.6	795.1	791.9	714.9	800.1	771.2	769.2	733.8	733.4	752.5	629.2	9,152.4
1960	831.9	871.3	896.7	920.7	809.6	817.2	773.8	798.5	749.5	732.1	707.8	542.6	9,451.7
1961	852.9	902.7	911.9	961.5	857.4	915.1	856.9	910.7	808.9	824.3	816.5	723.1	10,341.9
1962	930.6	1,005.7	997.6	1,005.4	909.4	979.0	840.5	965.0	918.2	899.0	921.6	755.0	11,127.0
1963 1/	965.7	939.5	933.1	862.4	827.4	810.1	840.4	877.4	850.4	916.0	910.7	875.8	10,608.9
Stocks, first of month													
1953	56.8	56.8	78.1	104.8	128.6	162.5	170.7	182.2	177.4	166.9	175.2	150.7	
1954	61.6	58.3	47.9	47.1	59.5	91.0	100.4	113.4	100.8	99.4	98.3	69.2	
1955	37.2	49.0	59.8	66.4	99.9	137.5	178.0	201.5	212.8	217.9	182.7	145.8	
1956	111.3	57.2	51.5	65.4	58.3	88.9	136.9	162.0	163.2	157.1	129.0	93.6	
1957	54.7	58.6	88.1	75.7	78.7	73.4	81.7	74.5	104.7	82.3	61.3	84.6	
1958	48.1	65.0	81.3	55.3	68.2	87.7	96.7	104.5	155.9	159.1	121.7	101.6	
1959	58.5	76.8	79.2	66.3	99.2	98.3	89.7	128.6	138.5	116.2	130.4	94.7	
1960	82.8	97.1	116.1	106.1	133.9	168.6	186.1	225.2	222.9	204.0	210.7	179.8	
1961	77.5	67.7	67.5	104.1	106.0	95.0	97.1	102.7	110.2	96.8	101.2	82.1	
1962	93.6	75.3	71.5	96.3	107.4	85.5	131.5	106.1	121.4	153.0	127.6	159.2	
1963 1/	158.8	161.3	179.2	172.2	163.4	173.0	172.4	155.3	186.8	143.5	143.6	143.9	
1964 1/	121.6												
Exports													
1953	9.3	14.1	12.1	4.0	5.1	5.1	3.6	3.8	2.4	1.4	2.1	3.5	66.5
1954	33.0	51.2	25.6	27.4	9.7	13.3	6.9	7.7	15.7	30.3	23.0	27.9	271.7
1955	31.4	45.3	64.8	35.6	42.0	28.9	29.9	22.5	19.7	19.8	29.0	31.5	400.4
1956	57.9	55.4	64.1	49.5	31.7	33.3	20.2	20.5	34.1	29.0	24.4	23.1	443.2
1957	27.9	37.7	28.8	38.5	20.9	25.9	16.0	20.3	25.1	18.0	17.4	23.5	300.0
1958	27.4	64.4	54.5	55.8	41.6	46.4	43.0	26.4	38.0	38.7	36.5	39.5	512.2
1959	57.1	76.9	122.0	62.8	54.4	38.9	29.8	37.8	44.5	31.9	44.8	47.8	648.7
1960	52.1	63.8	66.6	64.8	39.7	51.5	21.0	42.1	68.9	45.9	42.2	31.0	589.7
1961	60.5	130.3	80.4	82.7	109.8	102.0	94.6	97.1	89.6	76.7	87.1	52.9	1,063.7
1962	101.6	159.6	114.5	39.1	163.5	195.6	126.1	132.3	142.3	120.5	91.3	89.1	1,475.5
1963 1/	92.5	154.3	142.5	78.3	113.7	79.1	99.8	125.5	133.6	144.9	168.2	152.1	1,484.6
Domestic disappearance													
1953	495.8	446.2	455.6	465.7	403.3	444.4	406.5	419.2	376.3	359.8	378.0	344.1	4,994.9
1954	469.9	466.5	459.8	451.5	409.3	421.6	436.3	484.9	495.1	464.3	464.7	433.6	5,457.5
1955	536.8	527.5	477.3	497.9	483.6	515.0	530.2	536.4	492.5	490.7	520.9	462.5	6,071.3
1956	653.3	581.7	565.8	632.5	557.7	607.5	604.8	614.4	564.8	582.1	615.2	533.3	7,123.1
1957	620.5	616.0	646.9	684.4	612.5	684.2	730.4	708.7	666.9	717.7	699.8	604.3	7,992.3
1958	740.7	701.5	781.1	801.4	738.9	800.0	765.5	784.5	747.1	760.2	695.8	650.8	8,967.5
1959	747.1	759.3	686.0	696.2	661.4	769.8	702.5	721.5	711.7	687.3	743.4	593.3	8,479.5
1960	765.5	788.5	840.1	828.1	735.2	748.2	713.7	758.7	699.5	679.5	696.5	613.9	8,867.4
1961	802.2	772.6	794.9	876.9	758.6	811.0	756.7	806.1	732.7	743.2	748.5	658.7	9,262.1
1962	847.3	849.9	858.3	955.2	767.8	737.4	739.8	817.4	744.3	803.9	798.7	666.3	9,586.3
1963 1/	870.7	767.3	797.6	792.9	704.1	731.6	757.7	720.4	760.1	771.0	742.2	746.0	9,161.6
Price per ton, bulk, Decatur													
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
1953	57.25	59.40	71.60	73.75	77.10	84.50	95.95	89.40	87.40	92.40	87.60	67.25	78.65
1954	65.25	67.70	68.25	67.10	65.60	61.50	59.20	53.40	52.10	53.90	54.30	60.10	60.70
1955	56.00	49.00	50.25	51.00	49.40	47.40	53.00	60.05	60.75	54.80	52.10	46.90	52.55
1956	45.70	47.40	46.95	49.90	46.90	46.75	45.50	45.40	44.25	46.60	52.90	51.00	47.45
1957	46.60	45.00	43.90	43.75	46.90	54.25	59.50	55.60	56.75	68.60	60.25	59.70	53.40
1958	50.60	54.75	60.90	63.25	54.75	55.10	55.90	55.40	54.80	58.50	54.25	51.70	55.80
1959	56.60	58.50	58.70	61.50	57.50	55.85	56.50	54.20	52.50	50.75	50.30	53.75	55.55
1960	48.95	44.50	51.25	55.20	61.50	64.45	73.10	71.00	63.85	65.00	68.90	59.60	60.60
1961	55.80	59.30	60.20	59.90	57.60	60.60	62.50	64.10	66.70	68.50	71.10	76.70	63.60
1962	69.00	70.60	70.50	71.90	73.10	70.80	68.30	68.10	70.40	72.00	75.20	75.20	71.25
1963 1/	73.50	74.90	76.90	77.50	74.80	73.40	69.90	65.50	66.50	65.80	63.90	69.50	71.00
1964 1/	69.20												

1/ Preliminary.

Totals computed from unrounded numbers.

Soybean meal prices (44 percent protein, bulk, Decatur) during 1964-65 are expected to average a little below the relatively high level of $71 during the past 2 marketing years. Soybean meal prices are starting off at a somewhat lower level this year than last. Prices in October 1964 averaged $69 per ton compared with last year's high level of $73.50 for the same month. The current price situation reflects the seasonal pickup in soybean crushings and meal output, the strong export but continued sluggish domestic demand, and higher soybean oil prices this fall than last.

Last season, soybean meal prices at Decatur averaged $71 per ton, the same as the 1962-63 average, when prices were the highest since 1953-54. Monthly average prices rose from $73.50 per ton in October 1963 to $77.50 in January 1964, then generally declined to $63.90 in August. They increased again in September 1964 to $70 per ton (table 7).

Soybean Exports to be Up, But Tight Supplies and High Prices to Limit Gain

Soybean exports during 1963-64 totaled 191 million bushels compared with 180 million the previous year. The increase was caused chiefly by increased shipments to Western Europe and Canada, offsetting the reduced movement to Asia (table 8). The reduction in exports to Asia reflects the continued shift in movement of Chinese soybeans from Europe to Japan, and larger Japanese safflower imports.

The increase in exports was highlighted by shipments to West Germany and the Netherlands, which together totaled 52 million bushels compared with 44 million in 1962-63. This area's growth as a major importer of oilseeds, particularly soybeans, reflects a relatively small indigenous production and an expanding demand for livestock feed concentrates, particularly in West Germany. Exports to Canada increased from 27 million bushels in 1962-63 to 32 million during 1963-64, largely the result of transshipments to Europe. Soybean shipments to France, Israel, Spain, the Philippines and Poland were also above year-earlier levels.

Exports to Japan, the most important single market for U. S. soybeans, totaled 45 million bushels during 1963-64, down 4 million from the year before. This decline was due partly to increased shipments of Chinese beans to Japan (also to Tawian) as well as relatively unfavorable crushing margins in Japan, which favored the importation of U. S. safflowerseed. Safflower availabilities are expected to be down in 1964-65.

Exports of soybeans and soybean products, an important dollar earner among U. S. agricultural exports, have become increasingly significant. Over 41 percent of the 1963 soybean crop was shipped abroad--191 million bushels as beans and the equivalent of another 101 million bushels as soybean oil. The soybean equivalent of meal exports has grown in importance in recent years, representing about 62 million bushels in 1963-64.

Basic underlying factors stimulating the rapid rise in soybean exports the last 10 years or so--from 17 million bushels in 1951-52 to 191 million in

Table 8.--Soybeans: United States exports by country of destination, 1956-63

Continent and Country of destination	Year beginning October							
	1956	1957	1958	1959	1960	1961	1962	1963 1/
	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.	1,000 bu.
Western Europe								
Belgium-Luxembourg	2,617	2,575	3,985	4,211	4,428	5,784	5,024	6,470
Denmark	5,295	4,818	5,545	8,663	5,417	9,326	12,285	9,143
Finland	---	---	---	347	---	---	1,462	368
France	2,124	910	2,017	4,517	1,624	3,111	2,861	4,252
Germany, West	15,139	11,158	13,200	15,301	15,596	19,242	22,606	28,642
Italy	15	34	1,328	4,031	4,371	11,419	12,128	11,875
Netherlands	14,151	10,844	15,598	26,328	18,951	21,877	20,912	22,910
Norway	1,405	1,151	1,575	2,150	2,499	2,678	3,355	3,295
Sweden	661	---	2	8	1	1	5	2
Switzerland	270	401	374	904	525	227	786	834
United Kingdom	1,959	3,992	2,216	3,908	4,263	4,257	6,289	5,995
Other	---	19	4	110	---	143	2/833	1,617
Total	43,636	35,902	45,844	70,478	57,675	78,065	88,546	95,402
Eastern Europe								
Czechoslovakia	---	75	---	---	778	536	551	595
Poland	328	1,796	---	---	363	179	---	1,059
Other	4	3/	---	---	---	3	4/371	771
Total	332	1,871	---	---	1,141	718	922	2,425
Canada	10,191	10,729	15,173	15,764	18,663	25,292	26,759	31,769
Latin America								
Cuba	---	3/	320	954	162	---	---	---
Other	1	1	6	6	15	5/126	33	104
Total	1	1	326	960	177	5/126	33	104
Africa								
Morocco	---	228	956	419	580	444	452	561
Other	---	---	---	169	---	---	---	---
Total	---	228	956	588	580	444	452	561
Asia and Oceania								
Israel	2,508	3,649	5,050	6,080	5,196	5,760	6,409	9,007
Japan	22,882	26,822	36,708	40,177	38,305	38,747	48,709	44,814
Korea, South	2,160	2,424	1,189	1,301	1,014	533	471	329
Philippines	85	57	99	13	45	42	302	509
Taiwan	3,517	3,790	4,213	5,281	6,483	2,181	6,184	4,719
Other	45	33	342	626	410	664	714	611
Total	31,197	36,775	47,601	53,478	51,453	47,927	62,789	59,989
Other Countries	4	1	172	113	374	582	846	849
Grand total	85,361	85,507	110,072	141,381	130,063	153,154	180,347	191,099

1/ Preliminary.
2/ All to Spain.
3/ Less than 500 bushels
4/ Includes 367 thousand bushels to Hungary.
5/ All to Nicargua.

Table 9.--Oilcake and Meal: U. S. exports by country, year beginning October, 1961-63

Country of destination	Soybean cake & meal			Cottonseed cake & meal			Linseed cake & meal			Total		
	1961	1962	1963	1961	1962	1963	1961	1962	1963	1961	1962	1963
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
North America												
Canada	252.1	265.9	210.3	.8	.6	2.1	.1	.6	.1	252.9	267.2	212.5
Mexico	14.8	8.5	26.8	1/	1/	2/	---	---	2/	14.8	8.5	26.8
Panama	1.6	2.3	1.4	---	---	---	---	---	---	1.6	2.3	1.4
Other	7.8	6.2	7.7	1/	1/	1/	.2	.2	.2	8.0	6.4	7.9
Total	276.3	282.9	246.2	.8	.6	2.1	.3	.8	.3	277.4	284.4	248.6
South America												
Venezuela	11.8	12.7	11.2	---	---	---	---	---	---	11.8	12.7	11.2
Other	.7	.9	1.8	---	---	---	---	---	---	.7	.9	1.8
Total	12.5	13.6	13.0	---	---	---	---	---	---	12.5	13.6	13.0
Western Europe												
Belgium-Luxemburg	87.1	102.7	126.3	---	---	3.8	---	.1	2.5	87.1	102.8	132.5
Denmark	78.2	92.7	93.1	14.1	39.9	29.6	---	---	---	92.3	132.6	122.7
France	169.0	218.2	247.0	---	---	4.7	---	1.3	3.6	169.0	219.5	255.3
Greece	5.0	4.9	10.9	---	---	---	---	---	---	5.0	4.9	10.9
Germany-West	122.1	121.9	160.9	.2	2.7	3.1	.9	1.7	5.9	123.2	126.3	169.9
Ireland	7.2	20.3	20.8	4.6	4.8	---	---	1/	---	11.8	25.1	20.8
Italy	4.8	123.6	74.4	---	1/	---	---	---	---	4.8	123.6	74.4
Netherlands	162.8	193.0	141.1	---	4.3	.4	25.6	45.0	47.6	188.4	242.3	189.1
Norway	11.1	17,8	7.6	2.2	23.7	7.6	---	---	---	13.3	41.5	15.2
Spain	27.9	196.3	161.1	---	---	---	---	1.0	---	27.9	197.3	161.1
United Kingdom	10.8	6.1	1.8	3.4	---	---	---	.3	.7	14.2	6.4	2.5
Switzerland	31.8	11.3	17.1	---	---	---	.3	1.7	.8	32.1	13.0	17.9
Other	3.2	1.2	.7	.3	1.5	2.6	1/	---	---	3.5	2.7	3.3
Total	720.9	1,110.0	1,062.9	24.7	76.9	51.8	26.8	51.1	61.1	772.6	1,238.0	1,175.7
Eastern Europe												
Bulgaria	---	---	11.8	---	---	---	---	---	---	---	---	11.8
Hungary	---	9.4	32.6	---	---	---	---	---	---	---	9.4	32.6
Yugoslavia	22.5	39.9	77.6	---	---	---	---	---	---	22.5	39.9	77.6
Other	2.7	---	4.9	---	---	---	---	---	---	2.7	---	4.9
Total	25.3	49.3	126.9	---	---	---	---	---	---	25.3	49.3	126.9
Asia and Oceania												
Australia	6.2	10.1	11.6	1/	---	1/	---	---	---	6.2	10.1	11.6
Japan	5.5	.7	14.6	---	7.3	---	1.0	---	---	6.5	8.0	14.6
Philippines	15.0	6.1	6.9	---	---	---	---	---	---	15.0	6.1	6.9
Other	1.8	3.0	2.3	.3	---	.4	---	---	---	1.8	3.0	2.7
Total	28.6	19.9	35.5	.3	7.3	.4	1.0	---	---	29.8	27.3	35.9
Grand total	1,063.7	1,475.5	1,484.6	25.8	84.9	54.3	28.1	52.0	61.3	1,117.6	1,612.7	1,600.2

1/ Less than 50 tons.

Table 10.--Soybeans: Acreage, yield and production by States, crop years 1961-64

State	Acreage harvested				Yield per acre harvested				Production			
	1961	1962	1963	1964 1/	1961	1962	1963	1964 1/	1961	1962	1963	1964 1/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bu.	Bu.	Bu.	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
Illinois	5,520	5,575	5,575	5,742	28.5	28.5	29.5	25.0	157.3	158.9	164.5	143.6
Minnesota	2,341	2,201	2,377	2,865	23.0	19.5	24.5	19.5	53.8	42.9	58.2	55.9
Indiana	2,681	2,708	2,709	2,816	28.0	28.0	27.5	23.5	75.1	75.8	74.5	66.2
Iowa	3,405	3,405	3,643	4,189	28.5	27.5	30.0	27.5	97.0	93.6	109.3	115.2
Missouri	2,602	2,732	2,677	2,811	22.5	22.5	24.5	22.0	62.4	61.5	65.6	61.8
Ohio	1,722	1,791	1,755	1,808	25.5	25.0	24.0	22.0	48.2	44.8	42.1	39.8
Arkansas	2,554	2,682	2,923	3,040	19.0	19.5	17.5	21.0	48.5	57.7	51.2	63.8
Mississippi	1,044	1,107	1,317	1,357	22.5	19.5	19.0	20.0	23.5	21.6	25.0	27.1
Other States	5,139	5,403	5,653	6,256	22.1	20.8	16.5	20.5	113.8	112.4	111.1	128.1
United States	27,008	27,604	28,628	30,884	25.2	24.2	24.5	22.7	679.6	669.2	701.5	701.5

1/ November 1 indications.

Table 11.--Soybeans: Price received by farmers and value of production and sales, by States, crop years 1961-63

State	Season average price received by farmers per bushel			Value of production			Value of sales		
	1961	1962	1963	1961	1962	1963	1961	1962	1963
	Dol.	Dol.	Dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.
Illinois	2.33	2.38	2.58	366.6	378.2	424.3	356.6	368.1	413.5
Minnesota	2.25	2.34	2.49	121.1	100.4	145.0	117.2	95.6	139.6
Indiana	2.25	2.33	2.55	168.9	176.7	189.9	164.1	172.4	184.7
Iowa	2.28	2.33	2.49	221.3	218.2	272.1	214.9	211.1	263.4
Missouri	2.28	2.31	2.51	142.4	142.0	164.6	138.3	138.0	160.2
Ohio	2.25	2.33	2.58	108.5	104.3	108.7	104.5	100.4	104.1
Arkansas	2.27	2.34	2.58	110.2	134.9	132.0	106.7	131.1	127.6
Mississippi	2.28	2.40	2.61	53.6	51.8	65.3	51.7	49.7	62.8
Other States	1/2.21	1/2.27	1/2.53	253.7	258.0	283.1	245.2	249.0	272.1
United States	2.28	2.34	2.54	1,546.3	1,564.5	1,785.0	1,499.2	1,515.4	1,728.0

1/ Simple average.

Table 12.--High-protein feeds: Quantity fed per animal unit, United States, average 1956-60 annual 1956-64

Item	Unit	Year beginning October									
		Average 1956-60	1956	1957	1958	1959	1960	1961	1962	1963 1/	1964 2/
Total protein feed (soybean meal equivalent 3/	1,000 tons	14,469	13,212	13,813	15,102	14,730	15,486	16,168	16,589	16,505	16,807
Protein-consuming animal units 4/	Million	139.2	136.6	135.8	140.8	139.6	143.0	143.4	146.5	146.0	144.8
Quantity per animal unit	Pounds	208	193	203	215	211	217	225	226	226	232

1/ Preliminary. 2/ Preliminary estimates based on indications in October. 3/ In terms of soybean meal equivalent (44 percent protein content). 4/ High-protein feed-consuming livestock. Based on animal units of grain-consuming livestock, excluding horses and mules, adjusted for importance of high-protein feeds in total concentrates fed.

The conversion factors for computing soybean meal equivalent are given in the Grain and Feed Statistics June 1962.

Table 13.--Oilseed cake and meal: Supply and distribution, United States, year beginning October, 1962-64

Oilseed cake and meal	Supply				Distribution			
	Stocks (Oct. 1) 1/	Production	Imports	Total	Feed	Other uses 2/	Exports	Stocks (Sept. 30) 1/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons
1962-63								
Soybean	94	11,127	---	11,221	9,556	30	1,476	159
Cottonseed	100	2,718	42	2,860	2,585	30	85	160
Linseed	7	371	1	379	320	---	52	7
Peanut	1	69	---	70	68	---	0	2
Copra	1	101	9	111	111	---	0	---
Total	203	14,385	52	14,641	12,640	60	1,613	327
1963-64 3/								
Soybean	159	10,609	---	10,768	9,132	30	1,485	122
Cottonseed	160	2,730	30	2,920	2,697	30	54	139
Linseed	7	400	1	408	328	---	61	19
Peanut	2	79	---	81	77	---	---	2
Copra	---	94	---	94	94	---	---	---
Total	327	13,911	5/53	5/14,291	12,349	60	1,600	282
1964-65 4/								
Soybeans	122	11,050	---	11,172	9,350			
Cottonseed	139	2,800	35	2,974	2,700			
Linseed	19	380	---	399	330			
Peanut	2	80	---	82	80			
Copra	---	90	---	90	90			
Total	282	14,400	5/58	5/14,740	12,550			

1/ Stocks at processors' plants. 2/ Estimated quantities of soybean meal used for industrial purposes and cottonseed meal used for fertilizer on farms of cotton growers. 3/ Preliminary. 4/ Forecast (except for stocks) based on November 1 indications. 5/ Includes copra and other oilseed meals no longer reported separately by Census.

1963-64--are still in force. With continuing strong demand, exports during 1964-65 are forecast at around 200 million bushels. The slight increase over last year is expected to go mainly to Europe although exports to Japan should improve over the previous year's level.

Europe likely will keep buying more U. S. soybeans because of its expanding livestock economy and increased feeding of soybean meal and other concentrates. Europe continues to expand its broiler production (particularly in the EEC countries), much like the United States has during the past decade. Furthermore, Western Europe's fats and oils stocks (excluding olive oil) are believed to be low and oilseed production has been reduced, especially olive oil in Mediterranean Basin countries.

Exports to Japan in 1964-65 are expected to rise as the upward trend in consumption of soybeans continues in that country and Japanese production continues downward. Japan's rapidly expanding livestock industry is requiring further increases in the use of soybean meal and other feed concentrates. Japan's 1964 soybean production is estimated at 9.3 million bushels, one-fifth below the year before. Since this is equal to only about 14 percent of the Japanese estimated consumption of 67 million bushels, heavy imports will be necessary, mainly from the United States. For calendar 1964, Japanese traders agreed to buy from Communist China a total of 10.8 million bushels of soybeans--9.2 million under the long-term agreement and 1.6 million through "friendly firms."

Edible Oil Exports to be Record High, Sharp Gain in P. L. 480 Shipments

Exports of edible vegetable oils (cottonseed and soybean) during the 1964-65 marketing year are forecast at around 2 billion pounds. This compares with 1.7 billion pounds a year earlier and the previous peak of 1.8 billion in 1961-62. Exports under the Food for Peace Program (all Titles of P. L. 480) may exceed a billion pounds compared with 0.9 billion in 1963-64. Soybean oil exports probably will account for two-thirds of the total. Prospective exports of these oils are shown in table 14.

Exports of cottonseed and soybean oils for dollars in 1964-65 are expected to exceed last year's 835 million pounds. Northern Europe, Spain, and Iran are the leading dollar markets for these oils. Exports of soybean oil to Spain are expected to exceed 150 million pounds because of the short olive crop in that country and the Mediterranean Basin. Spain did not import U. S. soybean oil during 1963-64.

Edible oil exports under Title I of P. L. 480 (sales for foreign currencies) during 1964-65 are expected to be higher than the 633 million pounds a year earlier. India, Pakistan, U.A.R. (Egypt), Turkey, Tunisia, Greece, Israel, Guinea, Peru, and Iceland are receiving edible oils under the Title I program.

Among the 23 changes in the recent extension and revision of Public Law 480, two important ones affect edible vegetable oil exports. One change prohibits sales under Title I to any Communist country (e.g., Poland and Yugoslavia) or any country whose ships are permitted to go to Cuba, but provides that such

Table 14.--Cottonseed and soybean oils: Dollar and Food-for-Peace exports, 1964-65 forecast compared with 1962-63 and 1963-64

Export financing	Year beginning October								
	1962-63 1/			Preliminary 1963-64 1/			Forecast 1964-65 1/		
	SBO	CSO	Total	SBO	CSO	Total	SBO	CSO	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Dollars 2/	515	208	723	515	320	835	510	350	860
Food for Peace: (P.L. 480)									
Title I	526	129	655	413	220	633			
Title II	40	16	4/56	15	10	25			
Title III 3/	68	29	97	50	31	81			
Title IV	13	---	13	111	1	112			
Total P.L. 480	647	174	821	589	262	851	790	350	1,140
Grand total	1,162	382	1,544	1,104	582	1,686	1,300	700	2,000

1/ Partly estimated. 2/ Includes some AID. 3/ Donations and barter. 4/ Excludes 7 million pounds shortening shipped under Title II.

countries shall be eligible for sales under Title IV. (Any countries otherwise ineligible under Title IV because of Battle Act, e.g., Poland, would be restricted to 5 years' credit.) During the 1963-64 marketing year, about 100 million pounds of edible vegetable oils were exported to Poland under Title I.

Another change limits financing on ocean freight charges on Title I shipments under agreements signed after January 1, 1965, to the differential by which the U. S. flag rate exceeds foreign flag rates. Agreements must provide that the recipient country pay the balance in dollars. This stipulation may make it more difficult for less-advanced countries, such as India and Pakistan, to acquire Title I oil because of dollar shortages.

The law also provides a 2 year extension through December 31, 1966, for both Titles I and II. (Titles III and IV did not require extension, because they have no fixed expiration dates.)

Shipments of edible oils under Title III (donations to needy persons abroad through nonprofit voluntary relief agencies and barter) are expected to expand over the 81 million pounds in 1963-64. The increase in foreign donations is anticipated as this program shifts back from butter (including butter oil and ghee) to vegetable oil shortenings and salad oils. This shift is due to the sharp reduction in CCC butter stocks. Approximately 60 countries receive these products. A barter program for the export of cottonseed and soybean oils from U. S. free-market supplies was announced in August 1964. Under the program, Table 15.--Cottonseed and soybean oils: U. S. exports, Public Law 480, and other, by countries, year beginning October, 1959-63

Country or area	1959-60									1960-61									1961-62								
	Cottonseed oil			Soybean oil			Total CSO and SBO			Cottonseed oil			Soybean oil			Total CSO and SBO			Cottonseed oil			Soybean oil			Total CSO and SBO		
	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Western Europe																											
Sweden	---	2/	2/	---	1	1	---	1	1	---	2/	2/	---	2/	2/	---	2/	2/	---	1	1	---	2/	2/	---	1	1
Spain	---	---	---	320	38	358	320	38	358	---	---	---	155	134	289	155	134	289	---	---	---	---	400	400	---	400	400
Germany, West	---	220	220	---	52	52	---	272	272	---	153	153	---	2	2	---	156	156	---	88	88	---	9	9	---	97	97
Netherlands	---	42	42	---	66	66	---	108	108	---	8	8	---	17	17	---	25	25	---	16	16	---	8	8	---	24	24
Greece	---	---	---	---	---	---	---	---	---	---	---	---	45	---	45	45	---	45	---	---	---	---	---	---	---	---	---
Italy	---	---	---	---	12	12	---	12	12	---	---	---	---	2/	2/	---	2/	2/	---	2/	2/	---	2/	2/	---	1	1
Belgium-Luxembourg	---	16	16	---	1	1	---	17	17	---	7	7	---	---	---	---	7	7	---	2/	2/	---	2/	2/	---	2/	2/
United Kingdom	---	7	7	---	15	15	---	22	22	---	1	1	---	7	7	---	8	8	---	---	---	---	3	3	---	3	3
Other	---	11	11	1	4	5	---	16	16	---	2/	2/	1	2	3	---	3	3	---	---	---	1	---	1	1	---	1
Total	---	296	296	321	188	509	320	485	805	---	170	170	201	162	363	200	333	533	---	106	106	1	420	421	1	525	527
Eastern Europe																											
Poland	---	---	---	33	---	33	33	---	33	1	---	1	62	---	62	63	---	63	13	---	13	56	---	56	69	---	69
Yugoslavia	4	---	4	47	---	47	51	---	51	---	---	---	61	---	61	61	---	61	2	---	2	88	---	88	90	---	90
Other	---	---	---	---	---	---	---	---	---	---	---	---	1	17	18	1	17	18	---	---	---	1	---	1	1	---	1
Total	4	---	4	81	---	81	84	---	84	1	---	1	124	17	140	125	17	142	15	---	15	145	---	145	160	---	160
Canada	---	44	44	---	37	37	---	81	81	---	43	43	---	24	24	---	67	67	---	30	30	---	16	16	---	46	46
Cent. America & Carib.																											
Haiti	---	2/	2/	---	9	9	---	9	9	---	2/	2/	---	8	8	---	8	8	---	2/	2/	---	10	10	---	10	10
Mexico	---	2/	2/	---	2	2	---	2	2	---	31	31	---	5	5	---	36	36	---	6	6	---	3	3	---	9	9
Other	---	1	1	---	14	14	---	14	14	---	1	1	---	4	4	---	5	5	---	1	1	---	2	2	---	3	3
Total	---	1	1	---	25	25	---	25	25	---	32	32	---	17	17	---	49	49	---	7	7	---	15	15	---	22	22
South America																											
Chile	---	---	---	---	12	12	---	12	12	---	---	---	13	8	21	13	8	21	---	---	---	18	17	35	18	17	35
Colombia	---	1	1	28	14	42	29	14	43	---	2/	2/	---	5	5	---	5	5	---	1	1	---	17	17	---	18	18
Equador	---	1	1	---	6	6	---	7	7	1	1	2	5	2	7	6	3	9	---	1	1	---	5	5	---	6	6
Peru	---	2/	2/	8	10	18	9	9	18	---	2/	2/	---	9	9	---	9	9	---	2/	2/	18	18	36	14	22	36
Venezuela	---	7	7	---	1	1	---	8	8	---	16	16	---	2/	2/	---	16	16	---	18	18	---	2/	2/	---	18	18
Other	---	2/	2/	9	18	27	9	18	27	---	2/	2/	---	1	1	---	2	2	---	2/	2/	---	1	1	---	1	1
Total	---	8	8	45	61	106	47	68	115	1	17	18	18	25	44	19	42	62	---	20	20	36	57	93	32	82	113
Africa																											
Algeria	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	3	---	3	3	---	3
Egypt	---	---	---	47	---	47	47	---	47	26	---	26	5	---	5	32	---	32	92	---	92	41	---	41	133	---	133
Morocco	---	30	30	---	40	40	---	70	70	1	12	13	---	26	26	1	38	39	1	3	4	---	28	28	1	31	32
Tunisia	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
Other	---	2/	2/	---	4	4	---	4	4	---	2/	2/	---	2/	2/	---	2/	2/	4	---	4	1	1	2	5	1	6
Total	---	30	30	47	44	91	47	74	121	27	12	39	5	26	31	33	38	71	97	3	100	44	29	74	142	32	175
Asia and Oceania																											
Hong Kong	---	2/	2/	---	6	6	---	6	6	---	2/	2/	---	4	4	---	5	5	---	2/	2/	---	52	52	---	53	53
Viet Nam	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	2/	---	2/	---	---	---	2/	---	2/
Iran	---	18	18	---	2/	2/	---	18	18	7	5	12	2	---	2	9	5	14	---	10	10	2/	27	27	---	37	37
Israel	12	---	12	19	---	19	31	---	31	4	---	4	23	---	23	27	---	27	2	---	2	43	---	43	45	---	45
Japan	---	10	10	---	---	---	---	10	10	---	6	6	---	2	2	---	8	8	---	5	5	---	2/	2/	---	5	5
Pakistan	43	---	43	29	---	29	72	---	72	22	---	22	36	---	36	58	---	58	60	---	60	141	---	141	201	---	201
Taiwan	---	---	---	3	---	3	3	---	3	2/	---	2/	3	---	3	3	---	3	---	2/	2/	7	---	7	7	---	7
Turkey	35	---	35	46	---	46	81	---	81	---	---	---	---	---	---	---	---	---	34	---	34	79	---	79	112	---	112
Other	---	2	2	---	2	2	---	4	4	6	1	7	7	3	10	13	5	17	1	---	1	5	6	11	6	6	12
Total	90	30	120	96	8	104	137	38	225	39	12	51	71	9	81	110	22	132	96	16	112	275	85	360	371	102	473
Total	95	409	504	589	364	953	686	770	1,456	68	286	355	419	281	700	487	567	1,056	207	183	391	500	623	1,124	707	808	1,515
Donations 6/	---	---	---	---	---	---	---	---	---	14	---	14	21	---	21	34	---	34	80	---	80	184	---	184	265	---	265
Grand total	95	409	504	589	364	953	686	770	1,456	83	286	369	440	281	721	522	567	1,090	287	183	471	684	623	1,308	972	808	1,780

Continued--

Table 15.--Cottonseed and soybean oils: U. S. exports, Public Law 480, and other, by countries, year beginning October, 1959-63 --Continued

Country or area	1962-63									1963-64									1964-65								
	Cottonseed oil			Soybean oil			Total CSO and SBO			Cottonseed oil			Soybean oil			Total CSO and SBO			Cottonseed oil			Soybean oil			Total CSO and SBO		
	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total	PL 480	Other 1/	Total
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Western Europe																											
Sweden	---	7	7	---	2/	2/	---	7	7	---	7	7	---	2/	2/	---	7	7									
Spain	---	---	---	---	291	291	---	291	291	---	---	---	---	---	---	---	---	---									
Germany, West	---	49	49	---	2	2	---	51	51	---	111	111	---	30	30	---	141	141									
Netherlands	---	41	41	---	---	---	---	41	41	---	70	70	---	40	40	---	110	110									
Greece	---	---	---	---	39	39	---	39	39	---	2/	2/	---	16	16	---	16	16									
Italy	---	2/	2/	---	---	---	---	2/	2/	---	2/	2/	---	3	3	---	3	3									
Belgium-Luxembourg	---	2/	2/	---	---	---	---	2/	2/	---	4	4	---	2	2	---	6	6									
United Kingdom	---	2/	2/	---	2	2	---	2	2	---	2	2	---	30	30	---	32	32									
Other	---	1	1	1	---	1	1	1	2	---	1	1	1	4	5	1	5	6									
Total	---	98	98	1	334	335	1	432	433	---	195	195	1	125	126	1	320	321									
Eastern Europe																											
Poland	---	---	---	---	---	---	---	---	---	37	---	37	72	26	98	108	26	135									
Yugoslavia	1	---	1	64	---	64	65	---	65	1	---	1	90	22	112	91	22	113									
Other	---	---	---	---	---	---	---	---	---	---	---	---	---	3	3	---	3	3									
Total	1	---	1	64	---	64	65	---	65	38	---	38	162	51	213	199	52	251									
Canada	---	30	30	---	26	26	---	57	57	---	33	33	---	30	30	---	63	63									
Cent. America & Carib.																											
Haiti	---	2/	2/	---	10	10	---	10	10	---	2/	2/	---	10	10	---	10	10									
Mexico	---	2/	2/	2/	2/	1	2/	2/	1	---	2	2	---	2/	2/	---	2	2									
Other	---	1	1	---	1	1	---	2	2	---	3	3	---	3	3	---	6	6									
Total	---	1	1	2/	11	12	1	12	13	---	5	5	---	13	13	---	18	18									
South America																											
Chile	---	---	---	10	24	34	10	24	34	---	2/	2/	---	18	18	---	18	18									
Colombia	---	2/	2/	---	7	7	---	7	7	---	---	---	22	7	29	22	7	29									
Equador	2/	1	1	3	2	5	3	3	6	2/	2	2	2	10	12	2	12	14									
Peru	---	---	---	2/	---	2/	2/	---	2/	---	1	1	11	15	26	11	16	27									
Venezuela	---	21	21	---	2/	2/	---	21	21	---	27	27	---	2/	2/	---	27	27									
Other	2/	---	2/	1	---	1	1	2/	1	31	---	3/31	11	3	4/14	42	3	45									
Total	2/	22	22	15	33	48	14	55	70	31	30	61	46	53	99	77	83	160									
Africa																											
Algeria	11	---	11	18	---	18	29	---	29	---	1	1	---	9	9	---	10	10									
Egypt	28	---	28	39	---	39	67	---	67	77	---	77	21	---	21	98	---	98									
Morocco	25	7	32	32	28	60	57	35	92	---	7	7	---	46	46	---	53	53									
Tunisia	---	---	---	56	---	56	56	---	56	---	---	---	45	---	45	45	---	45									
Other	---	1	1	4	6	10	5	6	11	---	2/	2/	---	5	5	---	5	5									
Total	64	8	72	150	34	183	215	41	255	77	8	85	66	60	126	143	68	211									
Asia and Oceania																											
Hong Kong	2/	---	2/	---	36	36	---	36	36	---	2/	2/	---	49	49	---	49	49									
Viet Nam	4	---	4	6	---	6	10	---	10	---	1	1	---	12	12	---	13	13									
Iran	---	33	33	2/	36	36	2/	69	69	---	32	32	---	71	71	---	103	103									
Israel	6	---	6	60	---	60	66	---	66	1	---	1	21	---	21	22	---	22									
Japan	---	14	14	---	---	---	---	14	14	---	21	21	---	---	---	---	21	21									
Pakistan	26	---	26	181	---	181	207	---	207	30	---	30	120	---	120	150	---	150									
Taiwan	---	---	---	1	---	1	1	---	1	---	2	2	---	16	16	---	18	18									
Turkey	45	---	45	90	---	90	135	---	135	45	---	45	106	---	106	151	---	151									
Other	2/	2	2	8	6	14	8	8	16	---	2	2	32	51	5/83	32	53	5/85									
Total	81	49	130	347	78	424	427	127	554	76	58	134	279	199	478	355	257	612									
Total	145	208	353	579	515	1,093	724	723	1,447	221	330	551	555	530	1,085	776	860	1,636									
Donations 6/	35	---	35	72	---	72	107	---	107	31	---	31	19	---	19	50	---	50									
Grand total	180	208	389	651	514	1,165	831	723	1,554	252	330	582	574	530	1,104	826	7/860	1,686									

1/ Includes AID financing. 2/ Less than 500,000 pounds. 3/ Includes 31 million pounds to Brazil. 4/ Includes 10 million pounds to Brazil and 4 million pounds to Bolivia. 5/ Includes 65 million pounds to Burma and 8 million pounds to Australia. 6/ Not reported by Census. 7/ Includes an estimated 25 million pounds exported under Title II donations.

vegetable oils may be used to procure goods, equipment, and services which Federal agencies otherwise would purchase abroad for dollars. Dollars which would normally go to foreign suppliers would be used by CCC to finance the export of vegetable oils by barter contractors. About 31 million pounds of edible oils were exported in September 1964 to Burma under the barter program in exchange for goods and services contracted by the State (under the AID program) and Defense Departments.

Edible oil exports under Title IV (long-term dollar credit) are expected to be up slightly from 1963-64. Yugoslavia, Chile, China (Taiwan), and Ecuador, are important recipient countries under this program. Due to the recent changes in Title I, Poland may request U. S. edible oils under Title IV for the first time.

See table 15 for 1963-64 edible oil exports by country of destination, with comparisons.

1964 Cottonseed Crop Up Slightly, Prices Down

Based on the average ratio of lint to seed, the 1964 cottonseed crop was estimated as of November 1 at 6,372,000 tons, compared with the 1963 crop of 6,197,000 tons. Cotton acreage for harvest this year is placed at 14,034,000, about 1.3 percent less than in 1963. The upland cotton allotment for 1964 of 16.2 million acres is only fractionally less than in 1963. Expected yield of cotton per acre, at 528 pounds, is slightly above the previous record of 516 pounds last year. About 59 percent of the U. S crop was ginned to November 1 compared with 66 percent a year earlier.

New cotton legislation was approved in early April after planting was underway in many areas. Under the new regulations, farmers could (1) plant their 1964 allotment as originally issued; (2) plant the domestic allotment--about 67 percent of their effective allotment--and receive a premium of 3½ cents per pound over the basic support price; or (3) plant 5 percent more than the basic allotment, with production from the extra acreage to be exported without benefit of the loan program.

Cottonseed supplies in 1964-65 (carryover stocks on August 1 plus production) are forecast at 6,542,000 tons, about 2 percent more than in 1963-64. Assuming that about 94 percent of the cottonseed crop will move to oil mills for processing, the total crush for the 1964-65 season probably will be around 6,000,000 tons compared with 5,886,200 the season before (table 18). A crush this size would produce around 2,000 million pounds of crude cottonseed oil and 2.8 million tons of cake and meal, both amounts slightly over 1963-64.

The 1964-65 season average price received by farmers for cottonseed is forecast at $46 per ton, nearly $5 less than the $50.70 received for the 1963 crop, and a little above the 1964 CCC support price of $44 per ton.

Prices to farmers for 1964-crop cottonseed are being supported at a national average rate of $44.00 per ton, basis grade 100, the same as for 1963-crop cottonseed, through purchases by participating gins and from producers at or above this level. Differentials for ginners are allowed to reflect normal handling costs. This cottonseed price support is made effective by means of

Table 16.--Fats and Oils: Estimated world production, averages 1950-54, 1955-59 annual 1959-65 1/

Fat or oil	Average 1950-54	Average 1955-59	1959	1960	1961	1962	1963	1964 2/	1965 3/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Edible vegetable oils 4/	9,495	11,987	13,647	13,352	14,005	14,972	15,000	15,480	15,755
Butter (fat content)	3,650	4,014	4,090	4,250	4,295	4,375	4,275	4,235	4,215
Lard 5/	3,175	3,727	4,080	4,000	4,045	4,075	4,075	4,050	4,050
Palm oils 6/	3,841	4,178	3,968	4,201	4,315	4,170	4,315	4,297	4,330
Industrial oils 7/	1,363	1,511	1,513	1,533	1,458	1,443	1,521	1,523	1,550
Tallow and greases	2,530	3,243	3,465	3,440	3,640	3,645	3,945	4,050	4,100
Marine oils 8/	990	974	1,022	1,051	1,217	1,270	1,099	1,130	1,120
Estimated world total	25,044	29,634	31,785	31,827	32,975	33,950	34,230	34,765	35,120
U. S. production 9/	5,931	7,357	8,155	8,334	8,455	8,831	9,143	9,546	9,903
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
U. S. as a percentage of world	24	25	26	26	26	26	27	27	28

1/ World totals for output of edible vegetable and industrial oils as based upon production of oilseeds less estimated non-crushing uses. No allowance is made for changes in carryover stocks of oilseeds. U. S. data through 1962 includes reported production of oil plus equivalent of exported oilseeds. Forecast for the U. S. for 1963 are based upon availabilities. 2/ Partly forecast. 3/ Forecast. 4/ Olive, cottonseed, peanut, soybean, sunflowerseed, rapeseed and sesame. 5/ Relates to rendered lards only in most countries. 6/ Coconut, palm kernel, palm and babassu. 7/ Linseed, tung, castor, oiticica and perilla. 8/ Whale, sperm whale, fish and fish liver. 9/ U. S. production includes only the fats and oils included in the above world totals.

Foreign Agricultural Service, Fats and Oils Division.

Table 17.--Fats, oils and oilseeds in terms of oil: World indigenous exports by type averages 1950-54, 1955-59, annual 1959-65

Fat or oil	Average 1950-54	Average 1955-59	1959	1960	1961	1962	1963	1964 1/	1965 2/
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Edible vegetable oils 3/	1,510	2,639	3,180	3,225	2,946	3,764	3,736	3,953	4,220
Palm oils 4/	2,258	2,433	2,209	2,396	2,505	2,341	2,447	2,435	2,460
Industrial oils 5/	652	730	748	717	743	745	722	748	755
Butter (fat content)	395	467	485	470	490	465	520	540	510
Lard	330	388	432	449	362	350	415	500	550
Tallow and greases	570	915	1,020	1,186	1,248	1,170	1,385	1,500	1,550
Marine oils 6/	639	706	741	799	855	918	858	815	785
World total	6,354	8,278	8,815	9,242	9,149	9,753	10,083	10,491	10,830
U. S. exports 7/	1,251	2,235	2,646	2,941	2,549	2,971	3,268	3,918	4,020
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
U. S. as a percentage of world	20	27	30	32	28	30	32	37	37

1/ Partly forecast. 2/ Forecast. 3/ Olive oil and the following other oils and oil content of oilseeds: cottonseed, peanut, soybean, sunflower, rapeseed, and sesame. 4/ Coconut, palm kernel, palm, and babassu. 5/ Linseed oil and seed, castor oil and beans, tung, oiticica and perilla oils. 6/ Whale, sperm whale, fish and fish liver oils. 7/ U. S. exports include only the fats and oils included in the above world totals.

Foreign Agricultural Service, Fats and Oils Division.

an oil purchase program through oil mills that agree to pay ginners not less than program support prices for cottonseed. This method is used because cottonseed, unlike grains or cotton, is not readily storable. The law provides that whenever the price of cottonseed or soybeans is supported, the support price of the other must be kept at a level which enables these commodities to compete on equal terms in the market.

The cottonseed oil purchase program for the 1964-65 crop year contains 2 changes from last season's program. First, CCC may, at its option, announce the price it will pay for cottonseed oil in a specific area. Such announcement will be made by the New Orleans Commodity Office before 2:00 p.m., C.S.T., on any Wednesday of any given week. Tenders made against such an announcement will be known as "option tenders."

Second, option tenders and any tenders from other areas are to be received by the New Orleans Commodity Office by 4:00 p.m., C.S.T., on each Thursday.

CCC will buy cottonseed from participating ginners in areas where crushers do not pay the CCC program price to ginners and where the State committee determines that such purchases are necessary to make the program effective. In areas where ginners do not participate, CCC will buy eligible cottonseed directly from producers, when the State committee determines purchases are necessary to make the program effective.

Purchases of cottonseed from ginners and farmers may be made from the earliest date of ginning through February 1965, and tenders of oil from participating oil mills will be received through July 1965, or a later date approved by CCC.

Cottonseed Oil Supplies Largest in Decade; CCC Not Likely to Acquire Oil In 1964-65

The cottonseed oil supply in 1964-65 is forecast at about 2,600 million pounds, 5 percent more than a year earlier and the largest since the 1954-55 season (table 19). The increase over last year is mainly due to larger starting stocks; they were 611 million pounds (crude and refined) on August 1, 1964, compared with 514 million a year earlier. The increase in the inventory was in CCC hands.

Domestic use of cottonseed oil is forecast at 1,500 million pounds in 1964-65 compared with 1,400 million last season. Cooking and salad oil is the major outlet and now accounts for about three-fifths of domestic disappearance compared with one-third in 1947. Use of cottonseed oil in the manufacture of shortening and margarine likely will be higher than last year because of the small price differential that is expected to exist during most of 1964-65 between cottonseed oil, soybean oil, and lard.

Table 18.--Cottonseed: Supply, distribution and farm price, 1947-64

Year beginning August	Supply: Production	Supply: Stocks at mills, August 1	Supply: Total supply	Distribution: Exports	Distribution: Crushed	Distribution: Seed	Distribution: Residual 1/	Price per ton: Season average received by farmers	Price per ton: Support 2/
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dol.	Dol.
1947	4,683	100	4,783	5	4,082	315	292	85.90	---
1948	5,943	89	6,032	6	5,332	384	178	67.20	---
1949	6,614	132	6,746	11	5,712	279	456	43.40	46.50
1950	4,105	288	4,394	6	3,723	423	176	86.60	47.00
1951	6,302	66	6,352	11	5,476	415	329	69.30	61.50
1952	6,191	137	6,328	13	5,563	406	191	69.60	62.40
1953	6,749	155	6,904	15	6,256	346	58	52.70	50.50
1954	5,709	229	5,938	21	5,249	263	196	60.30	50.00
1955	6,043	209	6,252	16	5,588	266	205	44.60	42.00
1956	5,407	177	5,584	11	4,959	222	228	53.40	44.00
1957	4,609	164	4,773	6	4,247	188	157	51.10	42.00
1958	4,798	175	4,973	4	4,439	244	186	43.80	41.00
1959	5,991	100	6,091	8	5,491	238	249	38.80	34.00
1960	5,886	105	5,991	5	5,352	281	165	42.60	34.00
1961	5,978	188	6,166	7	5,539	254	86	51.10	45.00
1962	6,139	280	6,419	10	5,779	232	164	47.90	44.00
1963 3/	6,197	234	6,431	7	5,886	4/	368	50.70	44.00
1964 5/	6,372	170	6,542	10	6,000	4/	332	46.00	44.00
1965		200							

1/ Includes feed, fertilizer, and loss.

2/ Purchase price, basis grade except 1949 which is average grade.

3/ Preliminary.

4/ Not available, included in residual.

5/ Preliminary. Distribution and stocks August 1, 1965 are forecast. Production indicated November 1 if the ratio of lint to cottonseed is the same as the average for the past five years.

Table 19.--Cottonseed oil: Supply and disposition and oil equivalent of exports of cottonseed, 1947-1963

Year beginning August	Supply: Production	Supply: Imports	Supply: Stocks August 1	Supply: Total	Disposition: Exports	Disposition: Domestic disappearance	Cottonseed (oil equivalent of exports)
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1947	1,276	4	186	1,466	33	1,313	2
1948	1,704	1/	120	1,824	82	1,558	2
1949	1,847	---	185	2,032	147	1,670	3
1950	1,197	---	215	1,412	61	1,184	2
1951	1,751	---	167	1,918	120	1,396	3
1952	1,825	1/	402	2,227	55	1,202	4
1953	2,074	---	971	3,045	351	1,698	5
1954	1,735	---	996	2,731	684	1,650	7
1955	1,894	---	398	2,292	634	1,375	5
1956	1,685	---	284	1,969	434	1,333	4
1957	1,438	---	202	1,640	286	1,186	2
1958	1,518	---	168	1,686	342	1,132	2
1959	1,861	---	212	2,073	522	1,263	3
1960	1,808	---	287	2,095	2/390	1,455	2
1961	1,865	---	250	2,115	2/470	3/1,430	2
1962	1,942	---	324	2,245	2/373	1,379	3
1963 4/	1,981	---	514	2,495	2/483	1,400	3
1964 5/	2,000	---	611	2,611	2/700	1,500	
1965							

1/ Less than 500,000 pounds. 2/ Includes estimates of foreign donations not reported by Census. 3/ Factory consumption figures used for years in which reported factory consumption exceeds domestic disappearance. 4/ Preliminary and partly estimated. 5/ Forecast. Totals computed from unrounded numbers.

Exports of cottonseed oil in 1964-65 are estimated at 700 million pounds compared with 483 million a year ago. This increase largely reflects heavier exports under Title III foreign donations. The CCC acquired about 165 million pounds of cottonseed oil under the 1963 price support program. The Corporation has been selling its once-refined cottonseed oil and concurrently purchasing a fully refined salad oil for movement into the foreign donations program.

Cottonseed oil prices (crude, tanks, Valley) averaged 9.9 cents per pound during 1963-64 compared with 10.4 cents in 1962-63. Prices declined from 10.2 cents in August 1963 to 9.0 cents in January and February 1964, then generally increased to 10.4 cents in July 1964. The price premium of crude cottonseed oil (Valley) over crude soybean oil (Decatur) averaged 1.5 cents per pound during August 1963-July 1964 compared with 1.6 cents per pound the previous year. The price differential between those oils narrowed during August and September 1964 and in October it was virtually eliminated. The price differential probably will continue very small during the 1964-65 marketing year and likely will average the smallest in a number of years. Cottonseed oil prices (crude, Valley) for the entire 1964-65 marketing season are expected to average 1 to 2 cents per pound higher than the 10 cents in 1963-64.

Cottonseed meal prices (bulk, Memphis) during August 1963-July 1964 averaged $63.30 per ton compared with $65.00 the year before. Current indications are that cottonseed meal prices in 1964-65 will average slightly below the year-earlier level. Demand and price for cottonseed meal will be affected as usual by hay supplies and pasture conditions in the South and by the increasing use of urea. Hay supplies are above the short supplies of a year ago in the Southern States. Reported pasture conditions for the Nation on November 1, 1964, was 65 percent of normal compared with 60 percent a year earlier and the average of 81.

Lard Supply Down, Prices Up

Lard supply (including farm) in the 1964-65 marketing year that began October 1 is forecast at 2.4 billion pounds, 6 percent below 1963-64 and the smallest since 1953. Total commercial hog slaughter is forecast at 78 million head compared with 83 million in 1963-64. Lard yield probably will continue at the reduced 1963-64 rate of about 29 pounds per animal.

Lard yield per slaughtered hog trended down from 33.8 pounds in 1951 to 28.9 pounds in 1963, mainly because of improved breeding and feeding practices. The pressure to shift from fat-type hogs will become stronger, since neither fat pork nor lard is likely to find a ready market. In 1960-61 (the latest data available), about one-third of the hogs slaughtered were meat-type hogs (U. S. number 1), based on a special USDA survey.

Domestic use of lard in 1964-65 is forecast at 1.7 billion pounds compared with 1.8 billion last year. Direct use is expected to total around 1.2 billion pounds, about the same as the year before but the smallest since 1935. This will leave about 0.5 billion pounds for use in shortening and margarine manufacture. On October 1, 1964, the USDA announced plans to buy

Table 20.--Lard: Supply, disposition and price, by months, crop years, 1953-63

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
							Production (excluding farm)						
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1953	174	207	208	190	153	174	153	145	157	149	148	170	2,028
1954	197	227	258	235	192	220	183	181	167	147	172	184	2,363
1955	215	264	292	273	231	253	207	199	180	169	172	177	2,632
1956	228	246	224	226	198	215	206	211	174	166	159	173	2,426
1957	216	208	215	221	169	177	188	178	167	167	158	182	2,246
1958	217	201	228	228	208	216	219	201	198	206	184	208	2,514
1959	238	235	268	239	203	224	202	203	199	166	193	186	2,556
1960	192	204	208	207	181	214	188	216	205	168	181	181	2,345
1961	215	221	207	211	186	206	197	209	190	174	180	154	2,350
1962	225	223	210	217	182	208	211	206	174	175	172	186	2,389
1963 1/	214	208	220	232	192	210	213	194	184	171	166	178	2,382
							Stocks, first of month						
1953	42	45	51	74	76	73	79	74	69	66	58	48	
1954	50	51	75	104	124	138	137	140	144	133	118	97	
1955	75	75	98	147	184	210	233	226	211	203	178	141	
1956	123	106	103	112	101	112	119	127	120	107	102	77	
1957	69	68	79	101	101	91	85	87	87	66	55	50	
1958	46	54	68	95	109	118	132	147	158	148	136	100	
1959	93	80	92	124	136	147	145	136	150	136	129	109	
1960	92	72	83	94	114	112	141	153	149	150	127	114	
1961	100	90	89	110	102	103	104	109	123	104	97	77	
1962	73	73	93	128	148	146	167	162	147	136	114	88	
1963 1/	81	75	92	119	106	125	114	116	125	96	98	89	
1964 1/	68												
							Exports 2/						
1953	23	39	45	38	44	27	49	55	36	32	37	30	456
1954	49	59	64	61	54	54	61	40	35	33	40	35	587
1955	60	70	75	74	56	66	61	73	49	47	46	42	719
1956	53	52	53	43	43	67	47	72	58	39	29	34	590
1957	50	42	38	42	42	41	25	43	36	40	32	30	461
1958	46	46	33	52	62	49	47	50	51	64	45	64	608
1959	73	75	42	76	57	61	60	55	66	47	58	47	716
1960	62	37	54	49	45	40	30	48	35	58	28	26	513
1961	40	69	17	47	41	38	48	30	57	43	39	37	508
1962	26	58	23	19	47	46	65	76	28	60	67	56	571
1963 1/	50	43	36	67	56	55	90	56	100	50	49	49	700
							Domestic disappearance						
1953	148	162	140	151	112	141	109	95	124	125	121	137	1,564
1954	147	144	165	153	124	167	119	138	143	129	152	171	1,751
1955	155	170	169	163	149	164	153	141	139	147	163	153	1,864
1956	192	197	163	194	144	141	152	146	129	133	155	147	1,891
1957	167	155	155	179	137	142	162	135	151	138	131	156	1,808
1958	162	141	168	162	137	153	158	140	157	154	174	151	1,858
1959	178	149	195	151	135	165	151	134	146	127	155	155	1,840
1960	150	156	143	137	138	145	146	172	169	133	166	169	1,825
1961	184	153	169	173	143	167	144	165	153	138	160	121	1,868
1962	199	145	152	178	137	142	150	145	157	137	131	137	1,810
1963 1/	170	147	157	179	116	166	121	129	113	119	126	150	1,693
							Price per pound, tanks, loose Chicago						
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1953	15.8	14.1	15.9	15.3	15.9	16.9	19.1	17.0	15.4	16.2	17.0	15.5	16.2
1954	14.2	13.6	12.1	11.5	11.1	10.9	11.8	11.2	10.8	10.6	9.9	10.2	11.5
1955	10.7	9.8	9.0	9.1	9.7	9.7	10.8	11.4	10.1	10.4	11.3	11.7	10.3
1956	12.2	12.6	13.5	13.9	13.5	13.0	12.8	11.3	12.1	12.9	12.3	12.5	12.7
1957	11.9	11.2	10.9	10.6	11.7	11.4	11.6	11.7	11.6	12.0	12.8	11.6	11.6
1958	11.6	10.5	9.2	8.6	8.5	8.4	8.6	8.3	7.9	7.6	7.1	7.7	8.7
1959	7.8	7.7	7.1	7.0	7.2	7.8	8.5	8.3	8.8	9.7	10.0	9.0	8.2
1960	9.7	10.3	9.5	10.0	12.3	12.0	11.2	9.8	8.4	8.4	8.9	8.7	9.9
1961	8.5	8.5	8.3	8.3	8.8	8.8	8.4	8.5	8.4	8.5	9.0	9.1	8.6
1962	9.3	8.7	8.1	8.0	8.2	7.8	7.5	7.4	7.7	8.3	8.5	8.4	8.2
1963 1/	9.2	9.7	8.8	8.9	9.3	9.0	9.2	9.1	9.1	9.2	9.6	9.8	9.2
1964 1/	11.4												

1/ Preliminary.
2/ Includes shipments to U. S. Territories.

Totals computed from unrounded numbers.

Table 21.--Lard, including rendered pork fat: United States exports and shipments, by country of destination, 1954-63

Country of destination	Year beginning October									
	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America:										
Canada	5	11	30	12	3	15	23	20	19	12
Costa Rica	10	8	2	2	5	5	3	2/	1	2/
Cuba	170	161	176	180	192	211	74	---	---	---
Dominican Republic	---	---	2/	2/	2/	2/	2/	2/	2/	2/
El Salvador	4	4	3	5	3	3	2	2	1	2/
Guatemala	11	11	4	5	6	5	2/	2/	2/	---
Haiti	5	7	6	6	7	9	7	8	6	6
Mexico	26	17	11	14	12	8	11	13	9	8
Netherland Antilles	2/	2/	2/	2/	1	2/	2/	2/	1	2/
Canal Zone	1	1	1	2/	2/	2/	2/	2/	2/	2/
Panama, Republic of	6	5	5	6	5	4	3	3	3	3
Other	2/	2	2	2/	4	3	3	2	3	5
Total	238	227	240	230	238	263	126	49	43	34
South America:										
Bolivia	7	8	3	2	5	4	3	2	7	15
Brazil	2/	10	7	---	2/	2/	2/	2/	---	7
Colombia	4	1	1	---	---	2/	2/	2/	2/	2/
Ecuador	6	2/	2/	2/	---	2/	2/	2/	2/	---
Peru	6	9	3	1	5	1	2	2	1	2
Venezuela	2	1	1	1	1	1	2/	2/	2/	2/
Other	2/	2	2/	2/	2	1	2	2	3	2
Total	25	30	15	4	13	7	7	6	11	26
Europe:										
Austria	27	31	7	4	2/	---	---	2/	---	---
Belgium-Luxembourg	2/	1	2/	2/	2/	2/	2	2/	1	1
Czechoslovakia	---	---	---	---	---	---	---	1	6	9
Western Germany	59	74	36	7	36	19	23	15	21	15
Italy	2/	2/	2/	2/	2/	2/	2/	2/	---	---
Netherlands	23	5	1	2/	2	1	5	2/	---	2/
United Kingdom	132	188	165	131	230	359	276	368	414	509
Yugoslavia	16	96	60	12	14	---	2/	2/	7	24
Other	3	1	1	2	2/	1	3	---	2/	12
Total	260	396	270	156	282	380	309	385	449	570
Asia	3	3	3	3	2	4	4	5	5	7
Other	2	6	2	1	1	1	2/	2/	2/	---
Total exports	528	662	530	396	535	655	446	446	508	637
Shipments to U. S. Territories:										
Puerto Rico	59	57	60	64	72	61	66	61	63	63
Virgin Islands	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/
Guam	2/	2/	2/	2/	2/	2/	2/	2/	2/	2/
Total shipments	59	57	60	65	73	62	66	62	63	63
Total exports and shipments	587	719	590	461	608	716	513	508	571	700

1/ Preliminary.
2/ Less than 500,000 pounds.
3/ Czechoslovakia.

Totals computed from unrounded numbers.

lard in 1- and 2-pound cartons for distribution to needy families, schools, and institutions under Sec. 32, Public Law 320. Purchases are being made on a bi-weekly basis, starting October 12, and from 5 to 6 million pounds will be procured every other week. About 17 million pounds have been purchased under this program through November 10, 1964. During the 1963-64 marketing year, the USDA bought 110 million pounds of lard for domestic donations.

Lard prices (tanks, loose, Chicago) for the 1964-65 marketing year are expected to average at around 2-3 cents per pound higher than the 9.2 cents average a year ago. Smaller U. S. lard supplies and a continuing strong export demand, along with higher prices for competitive soybean and cottonseed oils, are price-strengthening factors.

Lard exports and shipments during 1964-65 are forecast at about 650 million pounds compared with 700 million last year. The important foreign outlet for U. S. lard has narrowed to the United Kingdom, which accounts for about 80 percent of U. S. lard exports. Limited U. S. availabilities and higher prices are the major factors reducing lard export prospects this year. Also, hog slaughter and lard output in Europe will be sharply above last year and this probably will reduce East European demand. During 1963-64, lard exports to Yugoslavia, Hungary, and Czechoslovakia totaled 36 million pounds (table 21).

Butter Stocks Down Over One-Half From Year Ago; Exports to Drop Sharply

Butter supplies (including butter equivalent of butteroil and ghee) during the 1964-65 marketing year which began on October 1 are placed at about 1,630 million pounds, down around 300 million pounds or 15 percent from a year ago. The decline is due mainly to sharp reductions in CCC stocks of butteroil and ghee, although butter output may be down slightly.

Butter production (including farm) is forecast at 1,425 million pounds, compared with 1,450 million produced in 1963-64. On October 1, 1964, butter stocks totalled 204 million pounds, almost 57 percent below a year ago. Of this amount, CCC held about 160 million pounds, (137 million as butter and 23 million as butteroil). Last year this date, stocks totalled 469 million pounds of which CCC held 423 million, (283 million as butter and 140 million as butteroil and ghee.)

Prices to farmers for butterfat during 1964-65 likely will average slightly above the support level of 58.0 cents per pound (the effective rate at the beginning of the dairy marketing year on April 1, 1964.) This level, which again represents 75 percent of parity, is fractionally below the 58.1 cents support rate of last season.

Domestic disappearance of butter is expected to decline slightly in 1964-65 with per capita consumption averaging around 6.7 pounds (actual weight) compared with 6.8 pounds in 1963-64.

Butter exports in 1964-65 will be down sharply from year-ago levels. Last season, 344 million pounds were exported (including 204 million pounds of CCC butter equivalent of butteroil and ghee).

Peanut Supply Up 8 Percent This Year Due to Record Yields Per Acre

The total supply of peanuts (farmers' stock basis) during the 1964-65 marketing year that began August 1 is estimated at 2,575 million pounds, 8 percent more than the previous year and the largest since 1948-49 (table 22). The increase is attributed to the larger crop, as carryin stocks were just a shade higher than the year before. The 1964 peanut crop sharply exceeds probably food and farm uses, and CCC will acquire the surplus under the support program.

The 1964 peanut crop was estimated on November 1 at 2,193 million pounds compared with 2,022 million in 1963. The 1964 increase is entirely due to record yields in all sectors of the peanut belt. The November 1 indicated average yields by areas, with comparisons, are as follows:

Area	Average 1958-62	1963	Indicated 1964
	(Pounds per acre)		
Virginia-North Carolina	1,872	2,049	2,195
Southeast	1,126	1,445	1,562
Southwest	924	978	1,176
United States	1,214	1,435	1,589

The 1964 acreage to be picked and threshed, at 1,380,300, is 2 percent below the acreage harvested for nuts last year. The acreage decline from last year is mainly attributed to a 12 percent drop in Texas and a 1-percent smaller acreage in Virginia. Partially offsetting these declines are slightly larger acreages for harvest in Georgia, Oklahoma, and New Mexico. Acreage allotments for 1964-crop peanuts are again at the legal minimum of 1,610,000 acres. Because of the long term uptrend in yields, production of peanuts from the minimum allotment during most years provides a surplus above edible requirements even though consumption is increasing.

The 1964-65 outlook is for peanut prices to producers to average around 11.2 cents per pound, about the same as last year. Peanuts are in surplus and farm prices, as in recent years, likely will rest on the CCC support rate.

The 1964-crop peanuts are being supported at a national average loan rate of $224.00 per ton (11.2 cents per pound), unchanged from last year. The 1964 support price is 79 percent of the August 1964 parity. Support by types is as follows: Virginia, $236.86 per ton; Runner, $211.24; Southeast Spanish, $228.98; Southwest Spanish, $219.70; and Valencia (suitable for cleaning and roasting) $236.86.

Table 22.--Peanuts: Supply and disposition (farmers' stock basis), United States, 1937-64

Year beginning Aug. 1	Supply				Disposition					
								Domestic food use		
	Production	Imports	Beginning stocks 1/	Total supply	Exports and shipments	Crushed for oil	Seed, feed, farm loss and shrinkage	Military	Civilian	Civilian per capita
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Lb.
Average 1937-41	1,395	5	122	1,522	3	320	197	15	891	6.7
1942	2,193	4	190	2,387	5	420	336	146	1,172	9.0
1943	2,176	2	308	2,486	34	488	295	223	1,089	8.5
1944	2,081	54	357	2,492	28	436	307	288	1,122	8.7
1945	2,042	32	311	2,385	64	397	275	14	1,268	9.4
1946	2,038	2/	367	2,405	249	534	293	---	1,081	7.7
1947	2,182	2/	248	2,430	482	477	301	3	932	6.5
1948	2,336	2/	235	2,571	725	473	210	6	955	6.5
1949	1,865	2/	202	2,067	172	610	219	7	856	5.7
1950	2,035	0	203	2,238	69	629	212	14	967	6.4
1951	1,659	0	347	2,006	8	432	139	10	1,005	6.6
1952	1,356	0	412	1,768	3	195	142	10	998	6.4
1953	1,574	2/	420	1,994	239	303	152	10	1,007	6.4
1954	1,008	180	283	1,471	9	107	132	7	1,012	6.3
1955	1,548	5	204	1,757	6	257	172	1	954	5.8
1956	1,607	5	367	1,979	102	260	161	3	1,026	6.1
1957	1,436	2	427	1,865	48	239	157	3	1,081	6.4
1958	1,814	2	337	2,153	62	335	164	8	1,088	6.3
1959	1,588	1	496	2,085	72	292	172	3	1,151	6.5
1960	1,786	2/	395	2,181	81	362	154	8	1,236	6.9
1961	1,740	3	340	2,083	34	256	170	7	1,258	6.9
1962	1,810	2	358	2,170	43	302	166	8	1,285	6.9
1963	2,022	2	366	2,390	97	380	186	5	1,342	7.1
1964 3/	4/2,193	2	380	2,575			200	5	1,375	7.2

1/ Includes oil stock peanuts.
2/ Less than 500,000 pounds.
3/ Preliminary. Disposition is forecast.
4/ Indicated November 1.

Shelled edible peanuts and shelled oil stock peanuts converted to farmers stock peanuts based on conversion factors calculated from result of shelling operations in each year.

Principal provisions of the 1964 program are similar to those in effect for the 1963 crop. Support is available by means of warehouse storage loans to grower associations, and through farm storage loans, and purchase agreements to producers. Loans and purchase agreements are available from time of harvest through January 31, 1965. Loans will mature May 31, 1965, or earlier on demand by CCC.

Peanut Consumption to Remain at 7 Pounds Per Person

Civilian consumption of peanuts has increased in recent years, from 5.8 pounds per person in 1955-56 to 7.1 pounds, farmers' stocks basis (5.1 pounds shelled basis) in 1963-64. Of the 7 pounds per capita, about 6 are consumed in the form of peanut butter, salted peanuts, and in candy. The other pound is divided almost equally between roasted peanuts (the ball-park type) and those consumed as food on farms.

The consumption rate of 7 pounds per person is expected to continue during the 1964-65 marketing year (table 22). With increased population, this means that total consumption will rise slightly. Assuming a 2 percent increase in total peanut consumption and about the same farm use as in recent years, around 600 million pounds or about one-fourth of the 1964 peanut crop will be acquired by CCC.

Peanut crushings during 1964-65 are expected to rise from the 380 million pounds crushed last year. Extent of the rise will depend somewhat upon the CCC diversion policy. The USDA quality control program is expected to result in an increase of peanuts moving into crushing channels (See page 25 of the August 1964 issue of the *Fats and Oils Situation*, FOS-224, for a description of USDA industry-wide program for 1964 crop peanuts).

The quality control program initiated for 1964-crop peanuts is effectively removing lower quality peanuts from the edible channels of trade. Consumers are being offered higher quality peanuts and peanut products because of the program. Industry representatives gave additional consideration to the need for producing and marketing high quality products at a recent meeting with Department officials. At the conclusion of a two day meeting in early November, the 24-member National Stabilization Advisory Committee for peanuts commended the Department for the quality control program which was set up under emergency conditions as part of the price support program for peanuts for the 1964-crop. The committee expressed the view that quality control probably could best be accomplished in the future by use of a marketing agreement and order coordinated with the price support program and recommended that preparatory action be taken on this matter.

USDA will continue to make peanut butter purchases on the open market for distribution to the school lunch program and to needy persons. In 1963-64 USDA peanut butter purchases amounted to 68 million pounds (farmers' stock equivalent).

Table 23.--Peanuts: Allotments, acreage, yield, marketing quotas and production, farmers' stock basis, 1938-64

Crop year	Acreage				Yield per acre		Announced marketing quota	Production	Production less announced marketing quota	Excess acreage peanuts sold for oil 3/
	Allotment		Picked and threshed							
	Actual 1/	Legal minimum 2/	Total	Percentage of allotment	Used in determining allotments	Actual				
	1,000 acres	1,000 acres	1,000 acres	Percent	Pounds	Pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average										
1938-41	1,448	4/	1,888	5/131	4/	759	6/	1,436	---	7/
1942	1,610	1,610	3,355	8/208	4/	654	1,256	2,193	937	409
1943	9/	4/	3,528	---	---	617	---	2,176	---	---
1944	---	4/	3,068	---	---	678	---	2,081	---	---
1945	---	4/	3,160	---	---	646	---	2,042	---	---
1946	---	4/	3,141	---	---	649	---	2,038	---	---
1947	---	4/	3,377	---	---	646	---	2,182	---	---
1948	9/	4/	3,296	---	---	709	---	2,336	---	---
1949	10/2,629	1,610	2,308	88	651	808	10/1,700	1,865	165	---
1950	2,200	2,100	2,262	103	665	900	1,286	2,035	749	68
1951	1,889	1,610	1,982	105	734	837	1,300	1,659	359	194
1952	1,706	1,610	1,443	85	777	940	1,300	1,356	56	---
1953	1,679	1,610	1,515	90	790	1,039	1,326	1,574	248	---
1954	11/1,610	1,610	1,387	86	837	727	11/1,348	1,008	-340	---
1955	1,731	1,610	1,669	96	920	928	1,592	1,548	-44	---
1956	1,650	1,610	1,385	84	894	1,161	1,500	1,607	107	---
1957	1,611	1,610	1,481	92	901	969	1,451	1,436	-15	---
1958	1,612	1,610	1,516	94	1,026	1,197	1,652	1,814	162	---
1959	1,612	1,610	1,453	90	1,101	1,092	1,772	1,588	-184	---
1960	1,612	1,610	1,410	87	1,160	1,266	1,868	1,786	-82	---
1961	1,612	1,610	1,410	87	1,205	1,234	1,940	1,740	-200	---
1962	1,613	1,610	1,412	88	1,250	1,282	2,012	1,810	-202	---
1963	1,612	1,610	1,409	87	1,250	1,435	2,012	2,022	+10	---
1964 12/	1,613	1,610	1,380	85	1,325	1,589	2,133	2,193	+60	

1/ Includes additional acreage for types of peanuts in short supply and/or required by legislation passed subsequent to establishment of the allotment. 2/ The 1941 allotment was declared the legal minimum except in 1950 when it was set at 2.1 million. The 1950 allotment was increased to 2.2 million in order to conform with subsequent legislation. 3/ In 1941, 1942, 1950 and 1951, producers could harvest without penalty peanuts from acreage in excess of their allotments if these peanuts were sold for crushing. Allowance has been made for substitution between quota and excess acreage peanuts. 4/ Not applicable. 5/ No penalties were imposed on peanuts from acreage in excess of allotments. 6/ Defined as peanuts grown on allotted acres. 7/ 157 million pounds in 1941. 8/ The Department of Agriculture requested farmers to expand their acreage in order to provide peanuts for crushing. 9/ The 1943 quota and allotment were terminated because of the war and not reimposed until the 1948 crop. However, they were also terminated for the 1948 crop because of the need for oil. 10/ The law specified that the marketing quota for 1949 be equal to the 1943-47 average production adjusted for trend and prospective demand conditions. 11/ Except for the minimum acreage required by law, the 1954 allotment would have been 1,546 thousand acres, based upon a marketing quota of 1,294 million pounds. The marketing quota was raised in order to obtain the minimum acreage allotment. 12/ Preliminary except for allotment, legal minimum, yield used in determining allotment, and announced marketing quota.

Table 24.--Peanuts: Price per pound, quantity acquired under support program, farmers' stock basis, by areas, 1938-63

Crop year	Average price						Acquired under support program 1/				
	Average support, United States	Received by farmers in-				Paid to CCC for crushing	Virginia-Carolina	South-eastern	South-western	Total	
		Virginia-Carolina	South-eastern	South-western	United States					Quantity	Percentage of Production
	Cents	Cents	Cents	Cents	Cents	Cents	Million pounds	Million pounds	Million pounds	Million pounds	Percent
Average											
1938-41	2/	4.0	3.5	3.4	3.7	2.3	50	272	56	378	26
1942	2/	7.4	6.1	4.8	6.1	4.1	54	420	426	899	41
1943	2/	7.4	7.1	6.8	7.1	4.2	429	1,072	276	1,778	3/82
1944	2/	8.8	7.8	7.6	8.0	4.4	474	937	334	1,745	3/84
1945	2/	9.2	8.0	7.9	8.3	4.4	380	993	346	1,718	3/84
1946	9.8	10.3	8.8	8.6	9.1	9.7	4	17	34	55	3
1947	10.8	11.0	9.9	9.6	10.1	8.7	98	226	204	528	24
1948	10.4	10.9	10.5	10.3	10.5	5.4	214	740	213	1,167	50
1949	10.5	10.9	10.3	10.1	10.4	4.4	81	477	205	763	41
1950	10.8	12.7	10.4	10.3	10.9	7.5	96	554	184	835	41
1951	11.5	12.2	9.6	9.2	10.4	6.2	132	352	56	540	32
1952	12.0	11.3	10.4	11.4	10.9	7.2	37	69	0	106	8
1953	11.9	12.0	10.6	11.0	11.1	6.5	1	238	30	269	17
1954	12.2	13.5	11.1	11.7	12.2	0	0	0	0	0	0
1955	12.2	13.1	11.2	11.5	11.7	5.6	10	190	68	268	17
1956	11.4	11.9	10.7	11.2	11.2	5.5	89	245	0	334	21
1957	11.1	10.7	10.1	10.4	10.4	5.2	58	50	3/	108	8
1958	10.7	10.9	10.5	10.5	10.6	5.0	83	240	60	383	21
1959	9.7	10.6	9.0	9.6	9.6	5.3	14	194	38	246	15
1960	10.1	11.0	9.4	10.0	10.0	5.1	28	199	71	299	17
1961	11.0	11.6	10.7	10.7	10.9	5.0	31	138	62	231	13
1962	11.2	11.8	10.6	10.7	11.0	5.0	106	160	62	328	18
1963	11.2	4/11.3	4/11.2	4/11.2	4/11.2	5/5.9	44	303	31	378	19
1964	11.2										

1/ Includes purchases under the No. 2 purchase program. 2/ No base price established. 3/ CCC was designated as the sole purchaser of farmers' stock peanuts in these years. 4/ Preliminary. 5/ Estimated price received for all peanuts sold by CCC.

Exports under the USDA expanded peanut merchandising program are expected to pick up sharply in 1964-65, mainly to Western Europe and Latin America. Under this program, CCC invites competitive bids from processors to buy surplus peanuts and export them as peanut butter, as salted peanuts, or as in-shell roasted peanuts. CCC also takes bids on peanuts for domestic crushing or for export as raw peanuts. Exports of shelled peanuts to Canada probably will continue at about the 1963-64 rate of 75 million pounds (farmers' stock basis).

Flaxseed Supply in 1964-65 Placed at 40 Million Bushels; Farm Prices Up Slightly This Year

The total flaxseed supply for the 1964-65 marketing year which began on July 1 is placed at 40 million bushels, equal to that of 1963-64 (table 25). Production is down this year but is offset by greater carryover stocks. Starting stocks on July 1, 1964, were 13.1 million bushels, about 60 percent above those of last season and almost equal to one-half of the 1964 crop.

Based on November 1 conditions, the 1964 flaxseed crop is estimated at 27.2 million bushels, 14 percent below the 31.5 million bushels produced in 1963. Harvested acreage is expected to total 2.9 million acres compared with 3.2 million in 1963. Prospective yield per acre is placed at 9.3 bushels, compared with 9.7 bushels in 1963 and the record 11.5 bushels obtained in 1962. About 93 percent of the total crop will be harvested in the 3 major-producing States--North Dakota, South Dakota, and Minnesota.

The 1964 flaxseed crop is slightly above domestic requirements for crushing and seed and CCC is expected to acquire the excess under the price support program. The 1964 season average price received by flaxseed growers is estimated at $2.90 per bushel, resting on the CCC support rate (farm basis) but slightly above the $2.79 received in 1963. During July-October 1964, flaxseed prices to farmers averaged $2.75 per bushel compared with $2.71 for the same period in 1963.

Price support operations are being carried out through farm-and-warehouse-stored loans and purchase agreements. Loans and purchase agreements are available through January 31, 1965, in most States (October 31, 1964, in Arizona and California) and mature on March 31, 1965, (January 31, 1965, in Arizona andCalifornia) or earlier on demand. Through September 30, about 4.2 million bushels of 1964-crop flaxseed were placed under the support program, about the same as a year ago.

Since the summer of 1963, 12.6 million bushels of CCC-owned flaxseed were either exported or sold for crushing under the 2 programs activated for the purpose of reducing flaxseed stocks. A total of 8.6 million bushels of flaxseed was sold under the first of these programs, initiated in August 1963, in which CCC-owned stocks were sold on a competitive-bid basis for subsequent export. Buyers were required to export within 120 days of the sale either flaxseed or the oil equivalent in terms of 19 pounds of oil for each bushel of flaxseed purchased. Sales were discontinued on September 24, 1964.

Beginning May 1964, CCC flaxseed was offered for sale for crushing and concurrent re-purchase of the linseed oil. Flaxseed was sold at announced prices, with acceptance based on prices at which bidders offered to sell back linseed oil to CCC. Delivery of the oil was on the basis of 20 pounds of oil per net bushel of flaxseed sold. A total of 4 million bushels was sold, with the subsequent re-purchase of 80 million pounds of oil which is currently held by CCC. Flaxseed stocks owned by CCC on November 1, 1964, totaled around 3 million bushels.

Flaxseed crushings during 1964-65 are estimated at 22 million bushels compared with 19.4 million last season. A crush this size will produce around 440 million pounds of raw linseed oil and nearly 400 thousand tons of linseed meal. Flaxseed exports are placed at 8 million bushels (5 million have already moved out) compared with 4 million last year. About 2 to 3 million bushels will be required for seeding next year's crop, leaving carryover stocks on June 30, 1965, at around 8 million bushels.

With 1964-crop flaxseed prices averaging above last year and about at support, and linseed meal prices running lower, linseed oil prices probably will continue fairly steady during the 1964-65 marketing year, averaging around 13.5 cents per pound (raw, tank cars, Minneapolis). The 1963-64 season average was 13.0 cents per pound. Prices during July-October 1964 averaged 13.3 cents per pound compared with 12.6 cents the same months last year. This is a relatively low price level for linseed oil in contrast to earlier years and likely will encourage increased domestic usage. Domestic disappearance of linseed oil during 1964-65 is estimated at 400 million pounds, up from the year-earlier rate of 370 million pounds.

Monthly average flaxseed prices (No. 1, Minneapolis) have moved up from $2.97 per bushel in August 1964 to $3.16 in October. Prices the first week of November were quoted at $3.22 per bushel, 22 cents higher than November 1963. World market prices for flaxseed are currently above the U. S. support prices (terminal support is $3.13 per bushel at Minneapolis) and Rotterdam linseed oil prices are well above last year's level. Stocks of linseed oil in Rotterdam are relatively low and exports from Argentina (the world's leading exporter of linseed oil) have been lagging.

World flaxseed supplies, including the seed equivalent of linseed oil, from the 1964 crops which will be available for export will be determined largely by the outturn of Argentina's crop to be harvested late this year. As seeded acreage in Argentina is down 11 percent, production probably will be somewhat less than the 30 million bushels produced last year. However, unless exports rise sharply during the remainder of the year, a large carryover of old-crop stocks could far more than offset reduced production. In the United States and Canada heavy carryover stocks as of July 1 and August 1, respectively, offset reduced production and total supplies were slightly above last year's level. However, relatively heavy exports in the last several weeks are believed to have reduced supplies to slightly less than those of a year earlier. Consequently, while world production of flaxseed in 1964 is expected to be about 5 percent less than last year's, exports in 1965 may approximate or slightly exceed 1964 exports, presently forecast at the equivalent of about 48 million bushels.

Table 25.--Flaxseed: Price to farmers, acreage, yield, supply and distribution; stocks and total disappearance of linseed oil in terms of flaxseed, United States, 1947-64

Year beginning July	Price per bushel		Acreage harvested		Flaxseed							Linseed oil (in terms of flaxseed)		
					Supply			Distribution					Disappearance	
	Season average received by farmers	Support (farm basis)	Total	Yield per acre	Production	Stocks July 1	Total supply	Net exports	Crushings	Seed	Residuals	Stocks, July 1	Domestic	Total 1/
	Dol.	Dol.	Thous. acres	Bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.	Mil. bu.
1947	6.15	5.75	4,129	9.8	40.6	2/1.7	43.0	-.7	30.1	3.2	2.5	7.3	28.9	31.1
1948	5.71	5.75	4,973	11.0	54.8	7.2	62.6	4.1	37.3	3.5	-2.2	7.0	24.5	25.2
1949	3.63	3.74	5,048	8.5	43.0	19.4	62.3	2.0	37.4	2.8	-3.2	19.5	26.5	26.7
1950	3.34	2.57	4,090	9.8	40.2	17.0	57.2	2.9	42.3	2.7	-3.0	29.4	36.4	37.7
1951	3.72	2.65	3,904	8.9	34.7	12.3	47.0	4.2	30.2	2.3	-.2	33.8	29.1	30.5
1952	3.73	3.77	3,304	9.1	30.2	10.5	40.7	.2	25.2	3.2	1.1	33.6	27.8	28.0
1953	3.64	3.79	4,570	8.2	37.7	11.0	48.7	2.4	27.8	3.9	.3	31.3	26.4	41.7
1954	3.05	3.14	5,663	7.3	41.3	14.2	55.5	8.2	32.3	3.4	.4	17.6	26.5	42.8
1955	2.90	2.91	4,914	8.2	40.4	11.2	51.6	10.4	34.9	3.9	-1.8	7.0	27.7	34.8
1956	2.99	3.09	5,473	8.6	47.0	4.1	51.2	2.5	26.2	3.6	-.6	7.0	24.5	28.3
1957	2.94	2.92	4,793	5.2	25.1	19.4	44.5	9.0	27.3	2.6	-3.2	5.1	22.2	26.6
1958	2.69	2.78	3,679	10.2	37.4	8.7	46.2	6.0	22.4	2.3	.9	5.6	22.8	23.2
1959	3.00	2.38	2,932	7.2	21.2	14.6	35.9	8.3	23.2	2.4	-1.1	4.9	20.9	23.7
1960	2.65	2.38	3,342	9.1	30.4	3.0	33.4	7.0	20.0	2.1	-.9	4.5	18.5	19.7
1961	3.26	2.80	2,514	8.8	22.2	5.3	27.5	1.5	19.0	2.2	1.1	4.7	18.5	18.5
1962	2.83	2.90	2,808	11.5	32.2	3.6	35.8	4.3	21.0	2.4	-.3	5.1	19.3	19.8
1963 3/	2.79	2.90	3,238	9.7	31.5	8.4	39.9	3.6	19.4	2.3	1.4	6.4	18.3	19.0
1964 4/	2.90	2.90	2,921	9.3	27.2	13.1	40.3	8	22	2.5	---	6.9	22	23

1/ Domestic disappearance plus linseed oil exports.

2/ Partly estimated.

3/ Preliminary.

4/ Production indicated November 1. Distribution is forecast.

New Export Program For Flaxseed; Loan Dates Extended

The USDA has just announced an export payment program for flaxseed and linseed oil which is designed to move these commodities into export channels from market supplies.

Export payments--equal to the difference in domestic price and world market price--will be made in transferrable payment-in-kind certificates which will be redeemable for an equal value of commodities from CCC stocks. Operating details of the program and export payment rates will be announced in the near future.

At the same time, USDA announced that producers will have the option of extending loan maturity dates for 1964-crop flaxseed. This will give producers more time in which to benefit from market activity brought about by the new export program. In Arizona and California, where this date has been set for January 31, 1965, the new option will make possible an extension to June 30, 1965. Producers in all other States where the announced maturity date has been set for March 31, 1965, now can obtain a similar extension to June 30, 1965.

CCC will assume approved warehouse charges accruing on flaxseed acquired under the price support program as of June 30, 1965, in commercial warehouse storage for the period after January 31, 1965, in Arizona and California, and after March 31, 1965, in all other States.

1964-65 Inedible Tallow Supply Forecast at 4.7 Billion Pounds

The total supply of inedible tallow and greases for the 1964-65 marketing year which began on October 1, is forecast at 4.7 billion pounds, roughly the same as in 1963-64. Carryover stocks on October 1, 1964, were 282 million pounds, 15 percent below last October, and the smallest since the 230 million pounds on October 1, 1958 (table 26).

Domestic use of inedible tallow and greases in 1964-65 is forecast at 2.1 billion pounds, or about the same as last year. In 1963-64, reported factory consumption surpassed the 2-billion-pound-mark for the first time. Use in soap and the "other inedible" category was down but this was more than offset by increases in fatty acids, animal feeds, and lubricants. The largest increase was in animal feeds, which moved up about 42 percent over last season, due mainly to a change in Census coverage. Beginning in January 1964, Census began reporting the consumption of inedible tallow and grease in animal feeds from information received directly from renderers, representing actual shipments to feed manufacturers. Consequently, statistics since that date for this category are not comparable with those of a year ago.

Exports of inedible tallow and grease during 1964-65 are forecast at 2.3 billion pounds, about the same as in 1963-64. Slightly higher prices expected this marketing year will tend to hold down the export movement. Italy, Spain, West Germany, The Netherlands, and Japan were the major markets last season, as they have been in recent years. However, 2 new areas of the world

Table 26.--Tallow, inedible and grease: Supply, disposition and price, by months, 1953-63

Year beginning October	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Year
	Apparent production 1/												
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
1953	218	212	251	230	213	238	205	214	209	220	235	218	2,661
1954	224	234	242	249	225	246	238	234	248	227	257	250	2,875
1955	247	272	271	277	280	282	294	281	268	239	257	248	3,215
1956	265	251	292	280	251	285	251	262	266	245	246	254	3,147
1957	261	254	267	252	214	231	228	243	239	228	230	249	2,896
1958	297	236	291	268	235	267	275	268	273	260	255	289	3,214
1959	310	263	301	301	309	309	315	277	281	284	295	296	3,540
1960	304	263	274	320	263	307	267	317	289	350	309	298	3,561
1961	295	303	327	277	282	303	258	286	327	281	287	281	3,506
1962	298	296	269	306	291	308	309	339	312	309	330	304	3,672
1963 2/	350	327	320	353	369	368	356	388	415	405	375	344	4,371
1964													
	Stocks, first of month												
1953	363	313	306	300	307	289	293	282	289	274	289	283	
1954	268	250	248	262	275	263	263	254	250	245	259	259	
1955	260	250	277	299	313	330	343	320	318	331	339	319	
1956	306	308	347	353	360	361	297	263	258	259	262	256	
1957	239	248	258	278	278	254	240	241	236	249	253	241	
1958	230	270	251	296	294	298	297	299	310	317	332	323	
1959	327	333	327	325	325	346	334	323	292	282	301	311	
1960	343	340	331	305	347	354	355	340	356	333	372	379	
1961	389	401	398	408	408	395	426	412	358	340	381	366	
1962	365	371	397	397	475	430	434	427	379	336	349	355	
1963 2/	334	353	373	386	387	422	396	396	331	332	315	305	
1964 2/	282												
	Exports 3/												
1953	118	83	120	89	96	88	86	85	103	113	111	93	1,186
1954	105	102	91	101	103	101	113	95	114	112	123	105	1,265
1955	117	106	106	127	123	122	174	135	118	116	128	121	1,494
1956	109	74	145	115	105	189	133	111	122	122	87	118	1,431
1957	84	95	103	89	98	93	83	107	83	95	85	92	1,107
1958	91	111	88	120	86	109	110	107	115	124	119	131	1,311
1959	149	131	161	152	144	158	173	152	121	148	124	106	1,718
1960	146	120	153	136	119	155	136	151	156	205	150	142	1,769
1961	134	151	169	121	157	118	124	170	180	120	136	130	1,710
1962	109	116	114	74	140	165	164	201	182	178	137	159	1,738
1963 2/	157	160	158	168	162	232	183	274	221	262	201	176	2,355
1964													
	Domestic disappearance												
1953	151	135	137	133	135	146	129	122	121	92	131	140	1,574
1954	137	135	137	135	135	145	135	143	139	102	134	144	1,620
1955	141	140	143	135	140	146	144	148	137	115	149	139	1,677
1956	153	138	141	158	145	161	151	156	143	121	166	153	1,786
1957	169	149	144	163	140	151	144	142	144	129	156	168	1,799
1958	166	144	157	150	145	160	162	149	152	120	147	154	1,808
1959	155	138	142	150	143	164	153	156	169	117	161	158	1,806
1960	162	152	147	142	137	151	146	150	155	106	152	146	1,745
1961	149	156	148	156	139	153	148	171	164	120	167	153	1,823
1962	183	154	155	154	197	139	152	186	173	118	189	167	1,967
1963 2/	174	148	149	184	173	162	174	178	193	160	184	191	2,070
	Price per pound, inedible tallow prime, tanks, Chicago												
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1953	4.5	5.6	5.8	6.5	7.4	7.2	6.9	6.8	6.2	5.5	5.9	6.3	6.2
1954	6.7	7.1	7.3	7.8	7.7	6.6	6.7	6.4	6.5	7.1	7.2	7.4	7.0
1955	7.8	7.8	7.5	7.2	6.6	6.6	6.8	6.9	6.3	6.2	6.3	6.7	6.9
1956	6.8	7.0	7.0	6.8	6.8	6.8	6.8	7.0	7.3	7.6	7.8	7.9	7.1
1957	8.0	8.0	7.9	7.6	7.5	7.8	7.4	7.3	7.5	7.6	7.6	7.4	7.6
1958	7.6	7.6	7.2	6.8	6.5	6.8	6.7	6.6	6.4	6.0	5.7	5.8	6.6
1959	5.6	5.5	5.1	4.8	5.0	5.4	5.6	5.3	5.0	5.1	5.3	5.2	5.2
1960	5.2	5.4	5.2	5.6	6.1	6.8	7.6	7.4	5.8	5.8	5.6	5.2	6.0
1961	5.0	4.8	5.3	5.7	5.2	5.7	5.5	5.2	4.8	4.8	4.7	4.7	5.1
1962	4.8	4.9	4.7	4.7	4.7	4.8	5.1	5.2	5.3	5.4	5.3	5.4	5.0
1963 2/	5.7	5.8	5.6	5.5	5.6	5.8	5.9	5.8	5.8	6.0	6.5	7.1	5.9
1964 2/	7.2												

1/ Computed production based on reported factory consumption, net foreign trade, and change in stocks. Reported factory production excludes that from small rendering plants. October 1962-December 1963, production as reported by Census which includes estimates for small producers. 2/ Preliminary. 3/ Includes re-exports.

Totals computed from unrounded numbers.

Table 27.--Tallow, inedible, and greases: United States exports, by country of destination, 1956-63

Country of destination	Year beginning October							
	1956	1957	1958	1959	1960	1961	1962	1963 1/
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America								
Canada	24	20	18	19	24	26	32	33
Cuba	30	32	38	25	1	---	---	---
Dominican Republic	3	2	6	6	4	7	6	7
El Salvador	2	1	1	9	5	15	12	17
Guatemala	6	8	7	10	14	13	20	18
Mexico	41	60	15	13	4	3	1	1
Other	7	9	15	11	15	17	19	27
Total	113	132	100	93	68	81	91	103
South America								
Columbia	10	15	21	21	24	28	21	22
Ecuador	9	8	9	15	16	18	19	30
Peru	11	5	7	7	11	23	19	52
Venezuela	6	7	8	7	9	15	12	23
Other	1	1	4	7	2	5	2	26
Total	37	36	49	57	63	88	73	153
Western Europe								
Belgium-Luxembourg	49	18	31	53	24	21	17	38
France	9	2/	2/	42	3	11	10	24
Germany-West	87	32	67	94	119	84	94	102
Italy	234	267	269	311	213	229	197	171
Netherlands	232	154	229	286	215	218	186	301
Norway	1	1	2	2	2	4	5	5
Spain	39	1	2	38	62	101	116	101
Switzerland	21	9	8	13	8	20	32	50
United Kingdom	12	4	15	26	30	19	19	59
Other	101	14	16	12	16	3	17	29
Total	785	500	639	877	692	711	694	880
Eastern Europe								
Poland	64	39	43	51	44	70	65	128
Yugoslavia	25	25	24	12	22	33	25	13
U.S.S.R (Europe and Asia)	25	---	---	---	198	66	33	122
Other	---	---	---	---	---	6	1	9
Total	114	64	67	63	264	175	124	272
Africa								
Egypt	54	63	58	57	62	91	106	138
Morocco	5	11	14	18	17	23	20	25
Union of South Africa	48	23	38	64	57	16	15	32
Other	3	2	1	6	8	7	15	72
Total	111	104	111	145	144	137	156	267
Asia								
Turkey	2/	2/	2/	---	2/	32	46	50
China (Taiwan)	26	19	27	21	27	34	57	38
Japan	229	198	255	353	407	298	341	422
Korea	10	15	20	22	21	34	41	35
Iran	3	7	21	30	15	34	34	38
Pakistan	---	3	3	33	33	57	50	60
Philippines	13	13	15	18	22	21	21	21
Other	11	16	4	6	14	8	10	13
Total	292	271	345	483	538	518	600	677
Total Exports	1,431	1,107	1,311	1,718	1,769	1,710	1,738	2,353

1/ Preliminary.
2/ Less than 500,000 pounds.

Totals computed from unrounded numbers.

Table 23.--Inedible Tallow: 1963-64 and 1964-65 programs under Titles I and IV, P.L. 480 as of October 1, 1964

Country	P.A. Number	Quantity 1/	Purchase authorization		
			Final delivery date	Recorded shipments 2/ 3/	Still to be shipped
1963-64 Marketing year:		Mil. lb.		Mil. lb.	Mil. lb.
Carry-in 10/1/63					
Title I Programs					
Pakistan	15-130	55.2	6-30-64	55.2	---
U.A.R.	46-81	33.1	1-31-64	33.1	---
Total		88.3		88.3	---
Title IV Programs 4/					
New Programs					
Title I Programs					
China, Taiwan	37-74	14.2	4-30-64	14.2	---
China, Taiwan	37-78	13.0	10-31-64	13.0	---
Greece	26-67	3.8	5-31-64	3.8	---
Ivory Coast	65-01	15.4	12-31-64	3.4	12.0
Korea	24-98	14.3	6-30-64	14.3	---
Korea	24-106	17.6	10-31-64	4.7	12.9
Turkey	10-80	35.7	7-31-64	35.7	---
Turkey	10-82	66.1	10-31-64	10.5	55.6
U.A.R.	46-94	43.4	6-30-64	43.4	---
U.A.R.	46-99	19.9	6-30-64	19.9	---
Total		243.4		162.9	80.5
Title IV Programs					
China, Taiwan	37-408	22.0	12-31-64	3.8	18.2
Colombia	24-406	1.7	1-31-64	1.7	---
Ecuador	29-412	.6	6-30-64	.6	---
Total		24.3		6.1	18.2
Grand total		356.0		257.3	98.7
1964-65 Marketing year:					
Carry-in, 10/1/64					
Title I Programs					
Guinea	57-26	1.8	11-30-64	---	1.8
Ivory Coast	65-01	12.0	12-31-64	---	12.0
Korea	24-106	12.9	10-31-64	---	12.9
Turkey	10-82	55.6	10-31-64	---	55.6
Total		82.3		---	82.3
Title IV Programs 4/					
China, Taiwan	37-408	18.2	12-31-64	---	18.2
Total carry-in		100.5		---	100.5
New Programs					
Title I Programs 5/					
UAR	46-118	13.4	3-31-65	---	13.4
Total		13.4		---	13.4
Title IV Programs 6/	---	---	---	---	---
Total since 10/1/64		13.4	---	---	13.4
Grand total		113.9	---	---	113.9

1/ Estimate based on market price at time P.A. was issued.
2/ Based on bills of lading received for current month and prior months.
3/ September 1964 shipments: Turkey (10-82) 3.2 million and China, Taiwan (37-408) 1.5 million pounds.
4/ Ryukyu Islands has Title IV agreement for 2.9 million pounds, no P.A. issued.
5/ Columbia has Title I agreement for 24.2 million pounds, no P.A. issued.
6/ Yugoslavia has Title IV agreement for 26.5 million pounds, no P.A. issued.

Livestock and Meat Products Division
Foreign Agricultural Service

appear to be emerging as possible markets for U. S. tallow, due in part to assistance from the P. L. 480 Program. In 1963-64, exports to South America totaled 153 million pounds compared with a 1957-59 average of about 47 million pounds. Peru, Ecuador, Columbia, and Venezuela were the major takers. Over 95 percent of the total amount was for dollar sales. Exports to the continent of Africa totaled 267 million pounds compared with a 1957-59 average of 120 million pounds. Egypt alone took 138 million pounds, 96 million under the P. L. 480 Program. However, expansion of these markets depends in large degree upon the low price of U. S. tallow, which in recent years has been one of the lowest-priced fats moving in volume in world trade.

Exports to Eastern Europe in 1963-64 totaled 272 million pounds compared with 124 million in 1962-63. The USSR, Poland, and Yugoslavia were the principal takers (table 27). Increased purchases to these countries reflect the oil shortages which developed in some of the Communist Bloc countries last year and probably do not signify any future long-term trend to larger exports of U. S. tallow to that area.

During 1963-64, 257 million pounds of inedible tallow were shipped under the P. L. 480 Program compared with 251 million in 1962-63. Over 95 percent was shipped under Title I and the balance under Title IV. The volume shipped represents about 11 percent of total U. S. tallow exports compared with 14 percent in 1962-63. The UAR, Pakistan, Turkey, China (Taiwan), and Korea were the major recipients (table 28). As of October 1, 1964, about 114 million pounds still remained to be shipped. During 1964-65, substantial amounts again are expected to be exported under this program.

Inedible tallow prices (prime, c.a.f. delivered, Chicago) during 1964-65 are expected to average around 7.0 cents a pound. In 1963-64 they averaged 5.9 cents per pound. Prices rose from 5.5 cents in January 1964 to 7.2 cents in October, a jump of about 30 percent (table 26). This price strength stemmed from expanding demand, both foreign and domestic, and limited availabilities. As in recent years, prices during 1964-65 will be influenced highly by export demand.

Sharp Rise in Tung Oil Production Expected in 1964-65; Lower, Stable Price Pattern in Prospect

Tung oil production during 1964-65 is expected to bounce back sharply from the poor outturns of the past 2 years. Preliminary estimates place 1964 output at about 30 million pounds, up almost 50 percent from the 20.6 million a year ago. Aside from some freeze damage which occurred in Florida last March, growing conditions in the Tung Belt were more favorable in 1964 than in recent years.

Beginning stocks of tung oil on November 1, 1964, start of the 1964-65 marketing year, are estimated at 21 million pounds compared with only 7 million a year earlier. About 15 million pounds were owned by CCC. These are the first CCC-owned tung oil stocks since 1960, when it held 26 million pounds on November 1. Tung oil imports during 1964-65 are forecast at 25 million pounds compared with 30 million estimated for the year ended October 31, 1964. Based on the estimates for 1964 oil production, imports, and starting stocks, total tung oil supplies in 1964-65 will be about 76 million pounds, one-third greater than those of 1963-64 (table 30).

Domestic disappearance of tung oil during 1964-65 is placed at 36 million pounds, compared with 34 million estimated for last season. High tung oil prices, which began in early 1961, severely curtailed domestic use of this oil in recent years. In 1962-63, domestic usage totaled 31 million pounds, lowest since the 22 million used in the war-year of 1944. Lower tung oil prices this marketing year should encourage increased consumption, as users who switched to substitute products have re-entered the tung oil market.

Tung oil prices (domestic, tank, Southern mills) during 1964-65 are expected to average near the 1964 support level of 24.0 cents per pound or somewhat below the 26.7 cents average of 1963-64. Prices tumbled from their high level of 39.7 cents, posted in July 1963, to 24.1 cents in June 1964. Lately, prices have strengthened slightly, with early November quotations at around 24.7 cents a pound. During 1964-65, a more stable price pattern, at these lower levels, is likely to prevail, in contrast to the wide fluctuations of the past few years. The favorable outlook for the 1964 domestic crop, plus current adequate supplies in Argentina, are major factors responsible for this stable condition. Argentina's 1964 tung oil crop is placed at about 36 million pounds. Because of freeze damage the 1965 South American crops are reported to be down nearly 30 percent. Mainland China, the major tung oil producer, probably will export slightly larger quantities of tung oil to Europe in 1964-65 than in recent years.

On September 11, 1964, USDA announced that 1964-crop tung nuts would be supported at a national average of $63.34 per ton (72.6 percent of the applicable September 1964 parity price of $87.30 per ton), with an equivalent support of 24.0 cents per pound for tung oil. The 1964 support is the same as last year. Based on current prospects for tung oil prices and supplies, a substantial amount of oil probably will be placed under the support program, and CCC likely will acquire most of it when the loans mature on October 31, 1965.

Menhaden Oil Prices Highest in 7 Years; Current Trend to Continue Well into 1965

Total supplies of U. S. marine oils during calendar 1965 probably will be smaller than the estimated 420 million pounds for 1964, unless domestic marine oil production shows considerable increases. Beginning stocks on January 1, 1965, are expected to be down from the 168 million pounds of last January. With imports forecast at about the same level as in 1964, total availabilities will be tied largely to the 1965 fish catch, which will not get into full swing until next April or May. Over 90 percent of total domestic marine oils are obtained from the menhaden, a species of fish found along the Eastern Coast of the United States.

U. S. marine oil production in 1964 is estimated at 180 million pounds compared with 186 million in 1963. Production during January-September 1964 totaled 151 million pounds compared with 154 million for the comparable period in 1963. Production of marine oils in recent years has been off, due to poor menhaden fishing.

Marine oil imports in 1965 probably will be near the 1964 estimated total of 75 million pounds, due to a relatively tight world supply. Imports during

Table 29.--Tung nuts: Supply, disposition, and price, 1942-63

Year beginning November	Supply			Disposition		Price per ton		Oil yield per ton crushed
	Production	Imports	Total	Crushings	Residual	Season average	Support	
	1,000 tons	1,000 tons	1,000 tons	1,000 tons	1,000 tons	Dol.	Dol.	Lb.
1942	16.4	---	16.4	16.4	---	91.80		316
1943	6.2	---	6.2	5.5	.7	99.00		341
1944	26.7	---	26.7	27.3	-.6	102.00	100.00	321
1945	37.1	---	37.1	27.5	9.6	98.90	101.25	332
1946	57.4	---	57.4	45.1	12.3	96.90	---	319
1947	53.2	---	53.2	50.6	2.6	64.90	72.00	316
1948	58.5	2.7	61.2	50.3	10.9	49.10	---	339
1949	87.9	.3	88.2	83.1	5.1	63.70	60.00	322
1950	36.5	---	36.5	35.8	.7	111.00	63.00	343
1951	49.1	.1	49.2	48.5	.7	106.00	67.20	303
1952	132.1	.5	132.6	129.5	3.1	79.80	67.20	335
1953	120.0	---	120.0	112.6	7.4	66.80	63.38	352
1954	51.0	---	51.0	46.6	4.4	59.40	54.96	325
1955	6.2	.5	6.7	1/	---	64.00	51.06	---
1956	103.5	---	103.5	100.2	3.3	53.40	53.76	319
1957	82.6	---	82.6	80.7	1.9	52.30	52.13	315
1958	146.7	---	146.7	143.4	3.3	53.20	53.89	312
1959	110.6	---	110.6	105.7	4.8	52.40	53.50	322
1960	42.6	---	42.6	37.6	5.0	62.50	53.50	346
1961	111.5	---	111.5	106.7	4.8	87.30	63.34	312
1962	22.8	---	22.8	19.9	2.9	122.00	63.34	362
1963 2/	73.5	---	73.5	63.4		65.50	63.34	323
1964							63.34	

1/ Negligible. 2/ Preliminary

Table 30.--Tung oil: Supply, disposition, and price, 1935-64 1/

Year beginning November	Supply					Disposition		Price per pound			Oil acquired by CCC
	Production	Imports	Stocks Nov. 1		Total	Exports 2/	Domestic disappearance	Drums, N.Y. (imported)	Tanks f.o.b. mills 3/	Support	
			CCC	Total							
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Ct.	Ct.	Ct.	Mil. lb.
Average 1935-39	.6	123.2	---	37.9	161.7	5.7	118.1	18.2			
1942	5.2	4/	---	31.4	36.7	1.8	5/11.5	39.0			
1943	1.9	1.8	---	28.7	32.3	.7	5/10.5	39.0			
1944	8.8	.3	---	22.8	31.9	2.5	21.7	39.2		36.0	---
1945	9.1	24.5	---	7.7	41.3	.9	33.2	39.2		6/36.0	---
1946	14.4	103.4	---	7.2	125.0	6.0	87.1	32.4		---	---
1947	16.0	140.4	---	31.9	188.4	10.4	130.4	25.2		25.0	7.8
1948	17.0	72.4	7.8	47.6	137.0	10.9	107.7	23.4		---	---
1949	26.8	105.9	---	18.5	151.1	8.2	112.5	26.5	25.1	24.1	1.6
1950	12.3	48.2	1.6	30.5	91.0	6.4	5/72.4	38.2	36.7	25.1	---
1951	14.7	30.4	1.6	16.0	61.2	1.3	51.2	40.8	39.1	26.5	---
1952	43.4	13.0	.5	8.7	65.1	.3	49.6	31.3	28.6	26.5	5.8
1953	39.6	41.5	5.8	15.1	96.3	.3	49.3	24.3	23.8	23.9	32.8
1954	15.2	25.2	38.6	46.7	87.1	3.6	51.2	25.1	23.3	21.2	4/
1955	2.2	31.4	19.2	32.4	66.0	1.4	51.6	26.2	24.4	20.0	---
1956	32.0	31.5	.4	13.0	76.5	1.3	50.4	24.7	22.7	21.0	15.0
1957	25.5	24.7	15.0	24.8	75.0	.4	37.7	23.2	21.4	20.5	11.1
1958	44.8	25.0	25.8	36.9	106.6	7/20.7	47.4	24.1	21.9	21.0	24.6
1959	34.0	26.0	30.0	38.5	98.5	7/19.2	42.0	24.0	21.9	20.9	16.1
1960	13.0	25.8	25.5	37.3	76.1	7/26.4	41.5	28.2	26.5	20.9	---
1961	33.3	17.1	---	8.2	58.6	11.3	5/35.9	37.5	35.2	24.0	---
1962	7.6	20.3	---	12.5	40.4	2.5	31.2	40.5	38.0	24.0	---
1963 8/	20.6	30.0	---	6.8	57.4	2.4	34.0	28.3	26.7	24.0	15.0
1964 9/	30	25	15	21	76		36			24.0	

1/ Data by crop year not available until 1942-43. 1935-39 calendar year average. 2/ Includes reexports. 3/ Not available before April 1949. 4/ Less than 50,000 pounds. 5/ Factory consumption figures used for years in which reported factory consumption exceeds domestic disappearance. 6/ Processor had to agree to buy back oil at 37 cents a pound or else CCC would purchase oil only at 30 cents a pound. 7/ CCC export sales. 8/ Preliminary. 9/ Forecast.

Table 31.--Nonfood fats and oils: Supply and disposition, 1956-64

Item	Year beginning October								
	1956	1957	1958	1959	1960	1961	1962	1963 1/	Forecast* 1964
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Stocks, October 1									
Tallow inedible and grease	306	239	230	327	343	389	365	334	282
Coconut oil	75	57	60	2/308	2/323	2/301	2/206	2/225	2/159
Palm oil	22	19	15	15	22	27	16	2/37	22
Linseed oil	101	102	90	122	71	97	84	92	125
Tung oil	11	25	40	42	45	10	14	8	21
Castor oil	38	22	24	30	20	32	35	2/221	2/189
Other lauric acid oils 3/	4	1	6	12	12	17	12	18	24
Cod and fish liver oil	2	2	1	---	---	---	---	---	---
Fish and marine oils	113	80	153	136	110	180	162	182	147
Tall oil	96	106	116	141	113	97	127	168	246
All others 4/	33	32	31	23	---	---	---	24	10
Total	801	685	768	1,156	1,060	1,150	1,021	1,309	1,225
Imports									
Tallow inedible and grease	3	5/	2	5/	5/	2	2	2	2
Coconut oil 6/	601	656	623	637	657	656	799	745	800
Other lauric acid oils 3/	47	51	60	93	76	86	84	90	90
Palm oil	18	42	33	41	54	43	27	8	30
Tung oil	37	26	24	27	24	18	20	27	25
Castor oil 6/	128	103	114	112	119	109	96	87	90
Cod and fish liver oil	21	19	18	20	16	13	14	16	15
Fish and marine oils	50	51	53	25	52	62	86	61	60
All others 7/	31	27	19	28	21	36	22	21	30
Total	937	976	948	984	1,019	1,025	1,150	1,057	1,142
Production									
Tallow inedible and grease 8/	3,147	2,896	3,214	3,540	3,561	3,506	3,672	4,371	4,400
Linseed oil 9/	823	529	648	480	567	395	507	436	600
Tung oil	32	25	45	34	13	33	16	21	30
Castor oil	3	11	18	11	14	23	25	37	40
Cod and fish liver oil	2	1	3/	---	---	---	---	---	---
Fish and marine oil	160	180	188	212	272	246	202	183	175
Tall oil	623	679	769	814	794	882	947	1,079	1,150
All others 4/	42	64	---	---	---	---	---	---	---
Total	4,830	4,384	4,882	5,091	5,221	5,085	5,368	6,127	6,395
Total supply	6,568	6,045	6,598	7,231	7,300	7,260	7,529	8,493	8,762
Exports and shipments									
Tallow, inedible and grease	1,431	1,107	1,311	1,718	1,769	1,710	1,738	2,355	2,300
Coconut oil	9	9	8	8	4	2	6	6	5
Linseed oil	132	29	9	57	20	2	11	19	20
Flaxseed (oil equivalent)	186	75	151	92	137	30	93	119	160
Fish and marine oils	136	61	152	151	132	130	222	203	185
Tall oil	50	39	27	47	40	26	31	30	50
Tung oil	1	3/	20	15	31	11	2	2	10
All others 4/	33	14	14	10	9	16	5	7	5
Total	1,978	1,333	1,692	2,098	2,143	1,927	2,108	2,741	2,735
Domestic disappearance									
Tallow inedible and grease	1,786	1,799	1,808	1,806	1,745	1,823	1,967	2,070	2,100
Coconut oil	611	644	632	615	675	749	775	806	825
Other lauric acid oils 3/	50	47	54	93	71	91	79	84	90
Palm oil	21	46	33	34	49	54	43	38	40
Linseed oil	503	437	457	382	384	376	394	384	400
Tung oil	53	36	47	43	42	35	31	33	36
Castor oil	141	110	130	118	120	130	156	146	150
Cod and fish liver oil	22	19	18	19	15	12	14	15	15
Fish and marine oils	107	96	106	112	121	196	47	84	85
Tall oil	564	630	717	795	770	826	876	971	1,075
All others 4/	39	77	12	18	14	21	18	28	25
Total	3,397	3,940	4,008	4,035	4,007	4,313	4,400	4,659	4,841
Total non-food uses 10/	4,059	4,046	4,230	4,329	4,220	4,476	4,600	4,760	4,950
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
Per capita									
Soap	6.0	5.5	5.2	4.8	4.6	4.4	4.2	3.9	3.7
Drying oil products	6.4	5.4	5.2	4.7	4.4	5.1	4.5	4.5	4.5
Other industrial products	11.4	12.5	13.6	14.6	14.0	14.6	15.7	16.5	17.3
Total	23.8	23.4	24.0	24.1	23 1	24.1	24.4	24.9	25.5

1/ Preliminary. 2/ Includes Government stockpiling. 3/ Mainly palm kernel oil. 4/ Includes inedible olive oil, olive oil foots, neat's foot oil and other vegetable oils not shown separately. 5/ Less than 500,000 pounds. 6/ Imports of oil plus production from imported material. 7/ Includes oiticia oil, rapeseed oil, wool grease, cashew nut shell oil, and other vegetable oils not shown separately. 8/ Apparent production computed from factory consumption, foreign trade and change in stocks. October 1962-December 1963 production as reported by Census. 9/ Includes oil equivalent of flaxseed exported for crushing abroad. 10/ Adjusted for foreign trade and changes in stocks of oleic acid, stearic acids, other fatty acids, foots and soap stocks and other inedible secondary oils; Government stockpiling; and food oils used in nonfood products and nonfood oils used in food products.

*Except stocks October 1, 1964.

1963 totaled 83 million pounds. Whale sperm oil, a special oil valued as a lubricant for fine instruments, accounts for about 80 percent of total marine oil imports, with fish body oils and fish liver oils each accounting for around 10 percent.

Exports of marine oils (mostly menhaden oil) in 1965 will depend primarily upon domestic production. Should the 1965 menhaden fish catch improve, considerably larger exports are foreseen than the 175 million pounds now estimated for 1964. Exports in 1963 totaled 274 million pounds. At competitive prices, a good market exists for U. S. menhaden oil overseas, where it is largely used as an edible oil in the manufacture of margarine, shortening, and other products.

Factory consumption during 1965 will be down from the 1964 estimated total of 82 million pounds unless supplies again loosen up. Total estimated use in 1964 is down 8 percent from 1963 and reflects the increasingly tight supply situation and correspondingly higher prices. Factory use of marine oils during January-September 1964 was down in paint and varnish manufacture, fatty acids, animal feeds and in lubricant production. Utilization was up, however, for resins and plastics, and other drying oil uses.

Fish oil prices (menhaden, crude, tanks, f.o.b., Baltimore) are expected to remain at their currently high levels until next spring, when 1965 production prospects become clearer. Menhaden oil prices began a rise in February 1963 from 4.8 cents a pound and continued an unabated spiral until they reached 8.5 cents in April 1964; they then stabilized at that level until July. Lately, prices have moved up again, reaching 9.0 cents in September, the highest since November 1957. Prices for the entire 1964 year are expected to average around 8.5 cents per pound.

U. S. SOYBEAN PROCESSING CAPACITY CONTINUES TO EXPAND

by

George W. Kromer

In recent years, the U. S. soybean processing industry has expanded its plant capacity rapidly along with the growth in soybean production. Since the 1951-52 season, soybean processing capacity has almost doubled, rising from about 310 million bushels that year to an estimated 585 million for 1964-65. [1] However, the rate of expansion has slowed some in recent years. (See cover chart). During the same period, the number of mills processing soybeans dropped sharply from 193 to 119 but the average mill size increased.

Processing capacity exceeds actual crushing volume despite the sharp upward trend in soybean production and the steady reduction in the number of mills. The excess capacity results primarily from 2 factors: Building of larger and more efficient mills, and enlargement of facilities of active mills. These changes occurred as plants shifted from older mechanical methods of crushing soybeans to solvent processing. In addition, plants can now efficiently process more than 1 type of oilseed and thereby have greater operational versatility throughout the year. With the construction of large solvent extraction mills and the advent of the horizontally integrated processor (mixed feed-crushing operation), processors' margins were reduced progressively from 35 cents per bushel in 1951-52 to only 6 cents for the industry as a whole in 1963-64. [2] Solvent extraction is the more efficient processing technique and now accounts for over 95 percent of all soybeans processed in this country.

Unused Processing Capacity Averages 20 Percent

Since 1951-52, soybean crushings have increased in about the same proportion as processing capacity. Crushings in 1951-52 amounted to 244 million bushels compared with the forecast of 470 million bushels for 1964-65. As mentioned earlier, capacity grew from 310 million to 585 million bushels in the same period. During the entire period, the ratio of utilized capacity (crushings) to total capacity has averaged about 80 percent (table 32).

Excess (or unused) processing capacity for the industry as a whole has averaged an estimated 20 percent since 1951-52. Excess processing capacity, as used here, means the difference between the estimated capacity and the quantity of soybeans actually crushed. For instance, during the 1963-64 processing season, the estimated crushing capacity was 575 million bushels of

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[1] Estimates of soybean processing capacity for 1951, 1956, and 1957 were developed from Census data, based on the "peak" month crush for individual mills. Capacity estimates for 1958-64 (except 1961) are from trade sources. Estimates for gaps in the series are based on USDA interpolations.

[2] Processors' margins as used here represent the spread between the price paid by crushers for soybeans and the combined value of soybean products (oil and meal). This calculation is based on simple averages of monthly cash prices.

Table 32.--Estimated number of soybean oil mills and processing capacity in the United States, 1951-64

Year beginning October	Processing mills 1/	Processing capacity			
		Total 2/	Utilized 3/	Excess 4/	Ratio of utilized to total
	Number	Mil. bu.	Mil. bu.	Mil. bu.	Pct.
1951-52	193	310	244	66	79
1952-53	174	(315)	234	81	74
1953-54	159	(320)	213	107	67
1954-55	162	(340)	249	91	73
1955-56	152	(355)	283	72	80
1956-57	144	370	316	54	85
1957-58	139	450	354	96	79
1958-59	130	450	401	49	89
1959-60	121	500	393	107	79
1960-61	123	525	402	123	77
1961-62	126	(535)	439	96	82
1962-63	128	550	475	75	86
1963-64	127	575	441	134	77
1964-65	119	585	5/470	115	80

1/ Estimates developed from Census data and trade directories. Includes cottonseed and other oilseed mills that process significant quantities of soybeans.

2/ Trade estimates 1958 to date (except 1961). Data in brackets are USDA interpolations.

3/ Soybeans actually crushed.

4/ Difference between total capacity and soybeans utilized (crushed).

5/ Forecast.

soybeans. Since only 441 million bushels actually were crushed, the indicated excess processing capacity was 134 million bushels or 23 percent.

Can excess capacity of the industry be termed "over-expansion"? This is debatable. In no year is it feasible for every mill to achieve 100 percent utilization of its processing facilities. Despite the competitive drive of each processor to utilize as much of his crushing capacity as possible, average utilization for the industry obviously is determined by such variable factors as size of crop, soybeans available for crushing, and market prices for soybean oil and meal. Processors know that at any specific price a certain quantity of beans must be processed to meet overhead costs and earn an acceptable profit. With excess capacity, however, this goal may not be possible for all mills.

During the 1963-64 season, a squeeze on processors' margins developed because of high soybean prices in relation to low prices for soybean oil and a decline in soybean meal prices in the second half of the marketing year. The effect probably was felt most by mills whose operations were not integrated with mixed feed and other sideline activities. Some mills were unable to compete and were forced to curtail crushing operations or to shut down for the rest of the season. Nevertheless, during that season the industry showed the second largest crush on record.

Annual Average Crush Per Mill Increasing

The number of mills processing soybeans declined from 193 in 1951-52 to 119 in 1964-65, a decrease of 74 mills or approximately 38 percent. But at the same time, average annual processing volume per mill increased from 1.3 million bushels in 1951-52 to 3.9 million bushels in 1964-65, or by about 200 percent. By operating on a large scale, plants are able to take advantage of savings arising from both the processing of the soybeans and the marketing of the products.

Outlook

Soybean production in the United States is expected to continue its long-run uptrend over the next few years, even though temporary setbacks such as that in 1964 will occur. The soybean processing industry will continue to expand facilities in anticipation of larger supplies; excess capacity will continue to exist. Unused capacity will continue to exist since soybean production will not likely develop into a pattern that will coincide with crushing facilities. Trends toward larger but fewer mills, the integration of soybean crushing with feed-mixing and other sideline activities, and excess processing capacity all will tend to keep continued pressure on processing margins.

Any important future expansion in U. S. output of edible fats and oils will come primarily from soybeans. Soybeans are grown as a direct source of oil and meal whereas competitive cottonseed is a byproduct of the cotton industry and lard a byproduct of the hog industry. Demand prospects suggest a continued uptrend for soybeans and products at a rate greater than the growth in population. Thus, the soybean processing industry appears to be on the threshhold of making further significant gains as soybeans play an even greater role in the fats and oils economy of the United States and the World.

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Table 33.--Price support operations for oilseeds, 1954-64*

Item	Unit	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964
		Crop year 1/										
Soybeans:												
Support price	Dol.	2.22	2.04	2.15	2.09	2.09	1.85	1.85	2.30	2.25	2.25	2.25
Percentage of parity	Pct.	80	70	75	70	70	64	64	79	78	75	74
Price received by farmers per bushel	Dol.	2.46	2.22	2.18	2.07	2.00	1.96	2.13	2.28	2.34	3/2.54	
Production	Mil. bu.	341.1	373.7	449.3	483.4	580.2	532.9	555.3	679.6	669.2	701.5	701.5
Placed under loan or purchased under support program:												
Quantity	Mil. bu.	41.4	30.1	65.7	90.6	140.2	52.4	25.6	132.5	68.8	72.8	
Percentage of crop	Pct.	12.1	8.1	14.6	18.7	24.2	9.8	4.6	19.5	10.2	10.4	
Acquired by CCC	Mil. bu.	15.6	2/	27.3	44.5	87.3	3.9	---	57.2	1.2	3/12.2	
CCC carryout stocks, Sept. 30	Mil. bu.	6.6	2/	5.2	13.9	44.2	9.7	---	40.0	1.7	0	
Reseal in farm storage, Sept. 30	Mil. bu.	---	---	---	---	13.4	---	---	11	---	6.5	
Cottonseed:												
Support price:												
Basis grade 100 --												
Loan	Dol.	54.00	46.00	48.00	46.00	45.00	38.00	38.00	49.00	48.00	7/	
Purchase	Dol.	50.00	42.00	44.00	42.00	41.00	34.00	34.00	45.00	44.00	44.00	44.00
Percentage of parity	Pct.	75	65	70	65	65	57	57	78	76	70	70
Price received by farmers per ton	Dol.	60.30	44.60	53.40	51.10	43.80	38.80	42.60	51.10	47.90	50.70	
Production	1,000 tons	5,709	6,043	5,407	4,609	4,798	5,991	5,886	5,978	6,139	6,197	6,372
Placed under loan or purchased under support program:												
As seed	1,000 tons	.1	---	---	---	---	---	---	---	---	---	
As oil, crude basis	Mil. lb.	227.3	---	---	---	---	180	---	9	---	---	
Percentage of crop 4/	Pct.	12.0	---	---	---	---	11.1	---	.2	---	---	
Acquired by CCC:												
As seed	1,000 tons	---	---	---	---	---	---	---	---	---	---	
As oil, crude basis	Mil. lb.	227.3	---	---	---	---	180	---	9	---	165	
CCC carryout stocks of oil, crude basis, July 31	Mil. lb.	57.8	5/	---	---	---	---	---	9	---	120	
Flaxseed												
Support price	Dol.	3.14	2.91	3.09	2.92	2.78	2.38	2.38	2.80	2.90	2.90	2.90
Percentage of parity	Pct.	70	65	70	65	65	60	62	73.5	76	75	76
Price received by farmers per bushel	Dol.	3.05	2.90	2.99	2.94	2.69	3.00	2.65	3.26	2.83	2.79	
Production	Mil. bu.	41.3	40.4	47.0	25.1	37.4	21.2	30.4	22.2	32.2	31.5	27.2
Placed under loan or purchased under support program:												
As seed	Mil. bu.	10.4	8.6	17.5	4.4	15.1	.4	3.1	.9	7.0	12.9	
As oil	Mil. bu.	---	---	---	---	---	---	---	---	---	---	
Percentage of crop	Pct.	25.1	20.8	36.4	17.1	39.3	2.0	10.1	4.1	21.7	41.0	
Acquired by CCC:												
As seed	Mil. bu.	8.8	2/	16.7	3.5	13.1	2/	2/	2/	5.7	11.0	
As oil	Mil. lb.	---	---	---	---	---	---	---	---	---	21	59
CCC carryout stocks June 30:												
As seed	Mil. bu.	6.8	2/	13.5	3.2	6.9	.1	---	---	5.3	10.6	
As oil	Mil. lb.	54.7	5/	---	---	11.0	---	---	---	---	21	80
Reseal in farm storage, June 30	Mil. bu.	---	---	---	---	1.3	---	---	---	---	---	
Tung nuts and oil:												
Support price:												
Nuts, per ton	Dol.	54.96	51.06	53.76	52.13	53.89	53.50	53.50	63.34	63.34	63.34	63.34
Oil, per pound	Ct.	21.2	20.0	21.0	20.5	21.0	20.9	20.9	24.0	24.0	24.0	24.0
Percentage of parity	Pct.	60	60	65	65	65	65	66	82	84.5	75	72.6
Price received by farmers:												
Nuts, per ton	Dol.	59.40	64.00	53.40	52.30	53.20	52.40	62.50	87.30	122.00	65.50	
Oil, per pound 6/	Ct.	23.3	24.4	22.7	21.4	21.9	21.9	26.5	35.2	38.0		
Production:												
Nuts	1,000 tons	51.0	6.2	103.5	82.6	146.7	110.6	42.6	111.5	22.8	73.5	
Oil	Mil. lb.	15.2	2.2	32.0	25.5	44.8	34.0	13.0	33.3	7.6	20.6	
Placed under loan or purchased under support program:												
Nuts	1,000 tons	.4	---	---	---	---	---	---	---	---	---	
Oil	Mil. lb.	5.1	---	21.2	15.2	33.9	23.0	4.5	9.8	2.3	3/15.7	
Acquired by CCC--Oil	Mil. lb.	5/	---	15.0	11.1	24.6	16.1	---	---	---	15	
CCC carryout stocks of oil Oct. 31	Mil. lb.	19.2	.4	15.0	25.8	30.0	23.0	---	---	---	15	

1/ Beginning October 1 for soybeans, August 1 for cottonseed, July 1 for flaxseed, and November 1 for tung nuts and oil. 2/ Less than 50,000 bushels. 3/ Preliminary. 4/ Percent that seed plus oil is of the production. 5/ Less than 50,000 pounds. 6/ F.o.b. southern mill. 7/ Loans discontinued and $44 purchase price expressed as percent of parity.

*Does not include olive oil for which support programs were in effect only in 1951 and 1952.

Table 34.--Fats, oils, including their products: Production from domestic and imported materials, and factory and warehouse stocks at end of month

Item	Production 1/						Stocks			
	October-September		1963	1964			1963	1964		
	1962-63	1963-64	Sept.	July	Aug.	Sept.	Sept. 30	July 31	Aug. 31	Sept. 30
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
PRIMARY FATS AND OILS										
Food fats and oils										
Butter 2/	1,455.8	1,419.1	85.5	110.7	95.8	86.4	328.7	243.7	221.2	181.4
Lard and rendered pork fat 3/	2,389.0	2,382.0	186.0	171.0	166.0	178.0	81.2	98.1	89.1	68.2
Beef fats	479.6	521.5	40.0	42.0	43.8	37.5	33.9	35.5	29.9	24.6
Total edible animal fats	4,324.4	4,322.6	311.5	323.7	305.6	301.9	443.8	377.3	340.2	274.2
Corn oil	379.1	412.6	31.9	33.0	33.9	31.5	63.1	62.2	59.7	61.9
Cottonseed oil	1,926.7	1,936.5	156.7	60.3	55.9	127.2	487.5	611.0	498.4	417.8
Peanut oil	91.4	114.0	4.9	7.1	4.1	6.2	29.8	20.5	13.6	7.5
Soybean oil	5,090.8	4,822.3	345.9	412.0	413.6	398.8	919.8	759.4	666.5	577.8
Total edible vegetable oils	7,488.0	7,285.4	539.4	512.4	507.5	563.7	1,500.2	1,453.1	1,238.2	1,065.0
Soap fats and oils										
Tallow, inedible, and greases excluding wool grease 4/	3,671.8	4,370.9	304.5	405.0	375.4	344.1	333.6	314.7	305.3	281.9
Palm oil 5/	---	---	---	---	---	---	36.7	24.5	25.3	21.9
Fish and marine oil 5/	202.3	182.9	21.2	31.8	26.1	18.6	181.5	139.6	145.6	146.7
Coconut oil 5/	363.1	336.9	31.3	32.6	29.3	27.5	225.0	166.3	178.5	159.1
Total soap fats	4,237.2	4,890.7	357.0	469.4	430.8	390.2	776.8	645.1	654.7	609.6
Drying oils										
Castor oil 5/	---	---	---	---	---	---	221.4	193.5	192.5	189.0
Linseed oil	413.7	436.1	37.4	33.7	38.2	42.1	92.2	125.9	124.6	125.1
Safflower seed oil	152.5	43.8	15.6	---	14.8	---	55.4	29.3	27.7	24.0
Tall oil	947.1	1,079.0	73.3	82.1	89.2	84.7	167.9	250.4	242.9	245.8
Tung oil	7.1	21.1	---	---	---	---	8.1	21.8	22.9	21.1
Total drying oils	1,520.4	1,580.0	126.3	115.8	142.2	126.8	545.0	620.9	610.6	605.0
Grand total 6/ 7/	17,570.0	18,078.8	1,334.2	1,421.3	1,386.2	1,382.7	3,265.8	3,096.4	2,843.7	2,553.8
From domestic materials	17,206.9	17,741.9	1,302.9	1,388.7	1,356.9	1,355.2				
From imported materials	363.1	336.9	31.3	32.6	29.3	27.5				
FAT-AND-OIL PRODUCTS										
Cooking and salad oils	2,319.7	2,584.9	183.9	238.8	296.1	271.9	210.2	104.7	116.9	105.4
Baking and frying fats (shortening)	2,535.9	2,635.5	214.5	182.2	228.9	243.1	103.7	117.2	99.9	99.6
Margarine	1,750.0	1,836.9	148.6	136.5	142.5	162.1	40.8	44.4	44.8	40.2
Fatty acids	817.4	910.8	71.3	62.2	77.4	77.3	78.5	90.9	90.9	88.1

1/ Factory production except as otherwise noted.

2/ Creamery butter and cold-storage stocks, United States Department of Agriculture.

3/ Total commercial. Excludes farm production. Federally inspected in October-September 1962-63 totaled 2,130.1 million pounds; October-September 1963-64 totaled 2,143.3 million pounds.

4/ Production as reported by Census. Beginning January 1964, total apparent production,

5/ Stocks include GSA stockpile.

6/ Computed from unrounded numbers.

7/ Excludes estimated output of farm butter and farm lard, 143 million pounds in October-September 1962-63; 131 million pounds in October-September 1963-64.

Table 35.--Imports and exports of fats, oils, oil-bearing materials and fat-and-oil products in terms of oil

Item	Imports for consumption					Exports 1/				
	Oct.-Sept.		1964			Oct.-Sept.		1964		
	1962-63	1963-64	July	Aug.	Sept.	1962-63	1963-64	July	Aug.	Sept.
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Food fats and oils										
Butter	2.2		2/	.1		39.0	139.3	12.5	9.9	8.0
Lard	2/		---	---		508.3	636.5	45.8	46.3	46.4
Beef fats	.1		---	---		9.4	10.1	.8	1.2	.6
Total, edible animal fats	2.3		2/	.1		556.7	785.9	59.1	57.4	55.0
Corn oil	15.4		---	---		---	---	---	---	---
Cottonseed oil	---	---	---	---		353.4	550.9	21.2	75.3	43.7
Cottonseed (17 percent)	---	---	---	---		2.9	2.6	.1	.1	2/
Olive oil, edible	36.5		6.4	5.5		---	---	---	---	---
Peanut oil	.7		---	---		3.8	67.2	12.8	8.7	6.4
Peanuts, shelled (43.5 percent)	---		---	---		1.9	9.3	2.0	1.5	.5
Soybean oil	---		---	---		1,093.4	1,085.8	127.1	132.1	124.8
Soybeans (18.3 percent)	2/		2/	---		1,983.2	2,102.1	131.0	151.1	121.5
Other vegetable oils	12.3		1.1	.5		13.8	14.8	1.2	.9	1.1
Total, edible vegetable oils	64.9		7.5	6.0		3,452.4	3,832.7	295.4	369.7	298.0
Soap fats and oils										
Tallow, inedible	1.4		---	---		1,506.5	2,073.1	239.1	173.7	160.9
Greases	.8		---	---		231.9	281.8	23.2	27.1	15.4
Fish and fish liver oils non-medicinal	4.7		.1	2/		214.6	195.8	40.4	9.7	14.2
Marine mammal oils	81.7		7.6	1.7		7.9	7.3	2/	.1	2.3
Olive oil, inedible	.3		---	2/		---	---	---	---	---
Palm oil	26.7		---	1.0		---	---	---	---	---
Total, slow-lathering oils	115.6		7.7	2.7		1,960.9	2,558.0	302.7	210.6	192.8
							5.5			.2
Coconut oil	436.0		35.4	68.8		5.6	.1	.2	.1	---
Copra (64 percent)	382.2		29.6	36.4		2/	---	---	---	---
Palm kernel oil	84.3		12.2	9.3		---	5.6	---	---	.2
Total, lauric-acid oils	902.5		77.2	114.5		5.6		.2	.1	
Drying oils										
Flaxseed (35.7 percent)	2/		---	---		92.8	119.2	10.8	26.2	34.1
Linseed oil	2/		2/	2/		11.2	18.8	.1	4.6	2.5
Oiticica oil	6.0		.8	.4		---	---	---	---	---
Tall oil	---		---	---		30.6	30.0	2.7	3.2	2.7
Tung oil	20.3		4.2	3.8		2.4	2.5	.2	.1	.1
Total	26.3		5.0	4.2		137.0	170.5	13.8	34.1	39.4
Other industrial oils and fats										
Cashew nut shell liquid (oil)	11.2		---	---		---	---	---	---	---
Castor oil	95.7		5.5	7.8		.9		2/	.1	
Castor beans (46.5 percent)	3.6		---	---		---	.9	---	---	.1
Fish-liver oils, medicinal	14.0		.9	1.0		.8	---	2/	2/	---
Rapeseed oil	4.5		.3	.3		---	.6	---	---	2/
Wool grease	4.8		.9	.6		---	---	---	---	---
Other vegetable oils and fats, inedible	---		.8	1.0		16.3	46.4	8.0	10.2	9.5
Total	133.8		8.4	10.7		18.0	47.9	8.0	10.3	9.6
Other oilseeds n.e.c. (20 percent 3/	---		---	---		88.5	88.3	5.1	9.1	8.4
Other products										
Margarine (fat content)	---		---	---		2.3	2.3	.2	.2	.1
Shortening	---		---	---		15.6	11.3	1.2	1.2	.8
Cooking and salad oils	---		---	---		20.8	33.7	1.4	2.5	3.6
Salad products (fat content)	---		---	---		3.4	4.2	.4	.3	.3
Soap (fat content)	1.5		.1	.2		11.3	11.6	1.1	1.3	1.3
Fatty acids	3.3		.9	1.2		43.3	56.7	5.7	4.0	3.6
Total	4.8		1.0	1.4		96.7	119.8	10.0	9.5	9.7
Grand total 4/	1,250.3		106.9	139.8		6,315.9	7,608.5	694.5	700.7	613.0

1/ Includes re-exports but not shipments. Shipments average about 90 million pounds per year of which approximately 60 million are lard.

2/ Less than 50,000 pounds.

3/ Mainly safflower oil.

4/ Computed from unrounded numbers.

Table 36.--Index numbers of wholesale prices of fats and oils

Item	1957-59=100				
	September		1964		
	1962	1963	July	August	September
All fats and oils	88	90	94	96	101
All fats and oils, except butter	79	81	88	92	97
Grouped by origin:					
Animal fats	92	93	97	101	105
Vegetable oils, domestic	79	80	81	83	88
Vegetable oils, foreign	87	91	96	95	98
Grouped by use:					
Butter	98	101	98	100	105
Butter, seasonally adjusted	97	99	105	105	103
Lard	87	80	87	91	93
Food fats other than butter	80	79	83	86	90
Food fats other than butter and lard	77	78	81	83	89
All edible fats and oils	91	91	92	94	98
Soap fats	70	80	96	102	107
Drying oils	100	95	90	91	94
Other industrial	70	78	84	87	93
All industrial	78	85	97	102	107
Edible vegetable oils, grouped by degree of processing:					
Crude	77	79	80	82	88
Refined	85	81	79	79	84
End products	93	86	88	88	88
Margarine	93	93	93	93	93

All indexes except "Butter, seasonally adjusted" and "Other industrial" from Bureau of Labor Statistics.

Table 37.--Prices received by farmers and prices at terminal markets for specified oil-bearing materials and oilmeals

Item	Unit	September		1964		
		1962	1963	July	August	September
		Dollars	Dollars	Dollars	Dollars	Dollars
Copra, Philippines, c.i.f. Pacific Coast	Short ton	148.75	169.75	189.00	181.50	174.00
Cottonseed, United States average	Short ton	47.30	49.60	49.00	44.90	44.70
Flaxseed, No. 1, Minneapolis	Bushel	3.12	2.90	3.00	2.97	3.01
Flaxseed, United States average	Bushel	2.84	2.58	2.75	2.70	2.71
Peanuts, No. 1, shelled, Spanish, Southeastern shipping points 1/	100 lb.	18.00	18.12	22.00	21.00	19.25
Peanuts, United States average	100 lb.	10.50	11.30	---	10.90	11.00
Soybeans, No. 1, Yellow, Chicago	Bushel	2.45	2.67	2.52	2.58	2.70
Soybeans, No. 1, Yellow, Illinois country shipping points	Bushel	2.28	2.58	2.43	2.48	2.61
Soybeans, United States average	Bushel	2.25	2.44	2.34	2.35	2.51
		Oilseed Meals (Bulk)				
Copra meal, 20 percent protein, Los Angeles	Short ton	80.00	80.00	76.00	70.00	68.00
Cottonseed meal, 41 percent protein, Memphis	Short ton	59.80	68.60	56.20	62.50	62.80
Cottonseed meal, 41 percent protein, Chicago	Short ton	68.30	77.40	63.50	68.30	69.00
Cottonseed meal, 41 percent protein, Atlanta	Short ton	63.50	71.40	59.60	61.30	63.60
Linseed meal, 34 percent protein, Minneapolis	Short ton	68.70	69.40	51.50	55.80	59.20
Linseed meal, 34 percent protein, New York	Short ton	87.50	86.40	68.80	69.90	72.70
Peanut meal, 45 percent protein, f.o.b. Southeastern mills	Short ton	---	67.00	57.60	56.80	58.90
Safflower meal, 20 percent solvent, San Francisco	Short ton	27.50	35.00	28.90	25.50	25.50
Soybean meal, 44 percent protein, Chicago	Short ton	80.90	79.40	69.80	68.10	73.90
Soybean meal, 44 percent protein, Decatur	Short ton	76.70	75.20	65.80	63.90	69.50
Soybean meal, 44 percent protein, Atlanta	Short ton	83.10	84.00	73.90	72.30	78.40
Soybean meal, 44 percent protein, Memphis	Short ton	79.80	78.00	69.20	68.50	74.90

1/ This price applies to peanuts for edible uses.

Compiled from Oil, Paint, and Drug Reporter, Daily Market Record (Minneapolis), Wall Street Journal, Chicago edition, reports of the Statistical Reporting Service and the Agricultural Marketing Service.

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